

DAY ONE

PROJECT

U.S. Patent and Trademark Office (USPTO)
Transition Document

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I) Key Considerations for USPTO in the Next Administration

This overview section outlines key contextual factors and considerations for USPTO (or PTO) as the next administration begins in 2021. The section is written as a cover letter to convey contextual information and begin to outline policy considerations for leadership and teams as they land and begin to prioritize their agenda at PTO. The section summarizes key agency priorities and considerations that were sourced from a Day One Workshop in October 2020

Cover Memo by Justin Hughes

Tracing its history back to the 1790 Patent Act, the U.S. Patent and Trademark Office (USPTO or PTO) is the federal agency for granting patents for inventions – exclusive rights that provide an incentive for private research and development as well as for the commercialization of new technologies. The agency also provides federal registration of trademarks, promoting an integrated national economy in which goods and services are readily identifiable to consumers. Federal law also provides that USPTO “shall advise the President, through the Secretary of Commerce, on national and certain international intellectual property policy issues” and “advise Federal departments and agencies on matters of intellectual property policy in the United States and intellectual property protection in other countries.”

USPTO is among the few federal agencies that is funded by user fees and agency revenue (in the form of patent and trademark application and maintenance fees) closely tracks the overall performance of the U.S. economy.

PTO's mission is “to foster innovation, competitiveness, and economic growth, domestically and abroad, by providing high quality and timely examination of patent and trademark applications, guiding domestic and international intellectual property (IP) policy, and delivering IP information and education worldwide.” Beginning with one clerk in the 1803 “Patent Office” of the State Department, USPTO is now an agency of the Department of Commerce with an annual budget in excess of \$3.4 billion and over 13,000 federal employees including patent examiners, trademark examining attorneys, computer scientists, policy experts, litigators, economists, and administrative staff. The agency operates from its main campus in Alexandria, Virginia with satellite offices in Dallas, Denver, Detroit, and San Jose as well as “IP attaché” staff in 12 U.S. embassies and consulates.

This document presents key insights from a group of intellectual property experts, most of them USPTO veterans. Observations, proposals, and suggestions presented here were discussed in a workshop setting but are not the result of a consensus process; indeed, some suggestions may be in tension with other suggestions. Many workshop participants supported trying some ideas only in “pilot” form, something that is possible at USPTO because of the size and scope of its operations.

As the next administration begins, perhaps the most basic idea for USPTO is that *intellectual property policy will continue to be characterized by the need to achieve balance*. To foster technological progress, the patent system must balance incentives for innovation with access to new technologies. On the trademark side, effective federal protection of trademarks used in interstate commerce promotes a cohesive, efficient national market but must be balanced against the communication needs of new market entrants and free expression generally.

Internationally, the U.S. retains a tremendous competitive advantage in 'information goods,' an advantage that depends on effective enforcement of intellectual property laws in other jurisdictions. At the same time, U.S. policy – both domestic and international -- seeks to improve access to patented medicines as well as dissemination of technologies to address climate change and environmental protection.

Intellectual property policies -- including both substantive patent law and USPTO operations – *should do a better job in maintaining and further America's technological preeminence* and, in that way, reinforce Biden Administration initiatives, ranging from enhanced R&D investment to serious and sustained "Buy American" initiatives.

In that context, it is clear that *continued efforts to improve and maintain patent quality* will be USPTO's most important day-to-day contribution to America's innovation economy. Many of the proposals below address that perennial policy challenge.

Workshop discussants also emphasized *the need to make America's innovation economy – and the opportunity that arises from intellectual property rights -- more accessible to all Americans*. Some proposals below are aimed at better understanding and/or addressing gaps in innovation economy outcomes correlated with gender, race, ethnicity, veteran status, or sexual orientation.

Finally, as the new administration works to return to collaborative efforts with America's allies and positive engagement in international institutions, *USPTO should lead in constructive engagement on international intellectual property issues*, whether at the World Intellectual Property Organization, in regional fora, or in bilateral relations, including with China.

The varied proposals and suggestions below highlight opportunities for PTO to move forward with a clear charge on Day One.

II) PTO Policy Ideas

This section outlines a set of catalytic policy ideas sourced from former officials and experts. The ideas are connected to challenges and opportunities the next administration will face. Each description includes a summary of the idea and the contributor from the Day One community.

1) Patent Quality

1) Launch Pilot Program for De-identifying Patent Applications to Minimize Examiner Bias

The next administration should launch a pilot program at PTO that removes inventor names and attorney names from patent application (as they are available to patent examiners) in order to mitigate potential gender and racial biases. The name of the inventor(s) and representing counsel should be irrelevant to objective assessment of an invention's patentability. In order to address double patenting issues, it might be possible for individual inventors to be assigned a unique identifier number (allowing cross comparisons of pending applications). Other procedural and technical hurdles, such as the §102 grace period, would need to be addressed. Anonymity of representing counsel would only be feasible during initial examination (until a first office action). PTO should launch a pilot program to determine the feasibility and impact of de-identifying patent applications.

Contributors: Margo A. Bagley, Justin Hughes, Colleen Chien, Stephen Yelderman

2) Encouraging Cross-Agency Collaboration to Improve Prior Art References Available to Patent Examiner Corps

The next administration should encourage cross-agency collaboration within the federal government to leverage other agencies' expertise. For instance, the PTO could work with the FDA on biopharma patents to better understand the prior art landscape. Other agencies, such as DOE and NASA, might have rich troves of prior art that would improve patent quality in relevant fields. But for cost-effective use of patent examiners' time, FDA cooperation would be particularly valuable. This is because when a patent application is filed after the drug or biologic in question has passed FDA Phase II trials, there is a roughly 50% chance that the compound will make it to market and, thus, that any patent rights will have significant commercial value. The next administration should sign an Executive Order to ensure active participation by other agencies in improving prior art references available to USPTO.

Contributor: Arti Rai and others

3) Conduct Contemporaneous Examination of Applications at IP5 Offices

Over the past twenty years, there has been increasing cooperation among the “Big 5” patent offices globally – USPTO, the European Patent Office, the Japan Patent Office, the Korean Intellectual Property Office, and the China National Intellectual Property Administration (<https://www.uspto.gov/ip-policy/patent-policy/ip5>). Since the same patent application is typically filed in each of those offices, great efficiencies can result from work sharing efforts. Instead of the sequential examination of patents applications among these offices – and the reuse of prior work done by other offices as happens in the “Patent Prosecution Highway” – there needs to be more efforts at coordinated and contemporaneous patent search and examination. A pilot project of this sort could also be initiated bilaterally with JPO or EPO; it could also be attempted through the “trilateral” grouping of USPTO, EPO, and JPO.

If contemporaneous search and examination is properly organized, it could significantly improve the identification of English and non-English prior art and thereby reduce the time the examiner allocates to a patent application. Of course, each office is sovereign and they will handle examinations pursuant to their individual laws, but coordinated, collaborative search and examination would provide greater confidence that U.S. examiners have the best prior art available during examination. The next administration should explore the feasibility of conducting contemporaneous examination of patent applications and identify possible roadblocks to its implementation.

Contributor: Teresa Rea, Sharon Barner

4) Safeguarding and Refining the Work of the Patent Trial and Appeal Board (PTAB).

Following the passage of the 2011 America Invents Act (AIA), the PTAB has assumed an increasingly important role in patrolling the quality of U.S. patents. There is broad consensus that the PTAB is a useful tool to reduce issues for litigation and increase business certainty. The next administration has a number of opportunities to fine tune PTAB including the following:

- *Addressing constitutionality of PTAB judges*
Following the Federal Circuit’s decision in *Arthrex v. Smith & Nephew* (2019) and in light of however the Supreme Court decides the questions raised in its October 13, 2020 grant of *certiorari* in the same case, the Administration should work with Congress to craft legislation to establish PTAB administrative judges as inferior officers in the U.S. government.

Contributor: Arti Rai

- *IPR Institution Decisions Based on Non-Merits Factors*

In fiscal year 2020, USPTO denied 44% of the petitions seeking PTAB review of USPTO-issued patents; the vast majority of these petitions sought PTAB inter-partes review (IPR) of patent claims. (Since 2012, 93% of the 12,147 petitions filed with PTAB have been for IPR.) There is no question that the public benefit of IPR can vary widely from case to case; the public benefit of PTAB review of a patent can depend on the age of the patent, the value of the commercial market relevant to the patented technology, and the patent's prior litigation history. These factors are not spelled out in 35 U.S.C. §311 et seq., but the Director likely has (unreviewable) discretion to consider such factors in IPR grant decisions. USPTO should analyze how these factors have or have not influenced IPR institution decisions in the past and how they might be incorporated in the future; this may be especially important if PTAB resources increasingly constrain the percentage of IPR petitions that can be granted.

Contributor: Stephen Yelderman

- *PTAB IPR review of claims for definiteness or double patenting*

In *Samsung Electronics America, Inc. v. Prisusa Engineering* (2019), the Federal Circuit affirmed the PTAB's own conclusion that during an IPR it cannot cancel patent claims based on indefiniteness under 35 U.S.C. §112; it may only cancel claims based on anticipation or obviousness under §§102 and 103. USPTO should pursue legislation to allow PTAB patent claim invalidation for failure to meet §112 requirements; legislation may also be appropriate to permit PTAB panels to address double patenting issues.

Contributor: Justin Hughes

In addition to these proposals, the next administration should be prepared to explore other ideas to improve PTAB including changing the burden of persuasion, considering whether patentees should have a reexamination "off ramp" for amending claims, expanding estoppel provisions, and achieving better overall coordination between PTAB cases and district court litigation.

5) Patentable Subject Matter Reform

The Supreme Court has recently denied certiorari in a number of cases raising issues of patent subject matter under 35 U.S.C. §101, including some in which the Solicitor General recommended the Court grant cert. While there have been no shortage of legislative proposals in recent years to respond to the Court's *Alice / Mayo* test for identifying patentable inventions, a new Congress and a new President would have a fresh opportunity to address these issues. While USPTO itself lacks authority to change the law, the agency should engage on the issue; such work could include hosting roundtables and preparing a comprehensive report presenting different perspectives on

§101 reform. The agency could provide a significant contribution to the discussion with a comprehensive report for the Administration and Congress on standards for patentable subject matter in Europe, Japan, China, and Korea.

Contributor: Stephen Yelderman and others

2) Equity, Diversity, and Inclusion

1) Studying Diversity of USPTO Applicants

Following the SUCCESS Act study (Report to Congress pursuant to P.L. 115-273, October 2019), the USPTO should develop a pilot program for the collection of demographic information about applicants for patents and trademarks, including ethnicity, gender, and veteran status. Although much of the public commentary in response to the SUCCESS Act study was supportive of voluntary data collection, the USPTO's own prior review in its AIA Section 29 study suggests that voluntary collection is likely to generate problems of statistical validity. The next administration should launch a pilot program for mandatory data collection; such a program must include adequate privacy protections and ensure there is a firewall between demographic data collection and the patent examination corps.

Contributor: Margo Bagley, Justin Hughes, Saurabh Vishnubhakat, and others

2) Develop a holistic approach to incentivizing African-American and other minority inventors

Minority inventors are disproportionately under-resourced and lacking in access to expertise in filing patents, doing proof of concept for their inventions, licensing, and marketing. USPTO's programs to support pro bono assistance in patent drafting are a start, but for many Black and Brown inventors getting the patent is only part of the battle. The next administration should launch a more comprehensive effort directed at minority inventors and entrepreneurs to support filing and prosecuting patent applications in combination with support for marketing, acquiring funding, and launching products based on these inventions. Such an effort might be jointly led by USPTO and the Small Business Administration (SBA), which have already collaborated on the SUCCESS Act Report mentioned above. The project might initially partner with HBCUs with strong programs in STEM subject areas.

Contributors: Margo A. Bagley, Justin Hughes

3) PTO Budgeting and Governance

The patent and trademark policy community discussed the unique budgeting challenges for USPTO as a fee-funded agency. USPTO needs to develop and maintain a fee structure, both for patents and trademarks, that is informed by three potentially competing objectives: self-sufficiency with a stable, predictable budget that maintains the agency's workforce; ensuring that the fee structure stimulates innovation; and discouraging abuse of the patent & trademark filing system. The community also discussed rulemaking authority for the agency and the future of the USPTO Office of the Chief Economist, an innovation of the Obama-Biden Administration.

1) Raising Initial Filing Fees to Address New Practices in Patent Portfolio Management

The USPTO should initiate a review to analyze whether to raise patent application filing fees in order to “front load” per-patent agency revenue. This is needed to respond to anticipated declines in maintenance fees as patent portfolio owners use more sophisticated tools to determine what patents to maintain, similar to IBM’s portfolio pruning. Increased filing fees, with proper adjustments for individual and SME applicants, may also dampen frivolous filings.

Contributor: Bob Stoll, Arti Rai, Saurabh Vishnubhakat, Justin Hughes

2) Recalibrating Patent Maintenance Fees

The next administration should explore increasing maintenance fees, especially the third and possibly second maintenance fee. This would also encourage patent holders to further assess patent value and thereby move some innovations into the public domain more quickly.

Contributor: Stephen Yelderman

3) Creating a “User-Friendly” Trademark Applicant Experience

Applicants for trademark registration and trademark registrants deserve fair and expert handling of their matters; they also merit a “user-friendly” experience. As the USPTO trademark corps has taken steps to address both fraudulent applications and overly broad trademark registrations, the agency may have lost some of its customer focus. For example, in August 2019, USPTO implemented a new rule that any foreign-domiciled applicant for trademark registration must be represented by a U.S.-licensed attorney. But are there more targeted ways to address a fraud problem emanating principally from one jurisdiction (China)? Does the rule make sense for Canadian-domiciled applicants? In another example, the TMEP now imposes an

onerous process of overcoming a Trademark Examiner's determination that an applicant's specimen was digitally created/alterd. The next administration should direct the USPTO to review trademark policies holistically to determine if there are more "user-friendly" ways to advance policy objectives for the trademark system.

Contributor: Phil Hampton

4) Pursuing Legislation to Give USPTO Substantive Rulemaking Authority

Beginning in a 2010 letter from Commerce Secretary Gary Locke to Congress, the Obama administration took the position that USPTO should have substantive, as well as procedural, rulemaking authority. Substantive rulemaking authority would allow the agency to be more nimble and innovative in calibrating rules and incentives to different contexts. The next administration should explore a path forward for granting USPTO substantive rulemaking authority.

Contributor: Quentin Palfrey

5) Establish the USPTO Bureau of Economics

The Office of the Chief Economist (OCE) has proven to be a successful institutional experiment and should be expanded into a fully formed business unit of the USPTO. Over the past ten years, the OCE has provided significant analysis and input into a range of policy initiatives and discussions. Examples include (1) studies and reports required by the AIA, (2) research datasets and publications for use by academic researchers and other federal agencies/commissions, (3) intergovernmental collaborations and reports with the UKIPO, EPO, WIPO, and (4) internal support to the IP Attaché program, the PTAB, the Patent Quality Initiative, and the Patent and Trademark Production Models, to name a few. The incoming Director should re-organize the OCE as its own business unit akin to the FTC's Bureau of Economics, with commensurate commitments of budget and staff, in order to meet the still-growing appetite for economic research and analysis on IP and innovation.

Contributor: Saurabh Vishnubhakat

4) International Intellectual Property

USPTO is the lead agency for the United States at the World Intellectual Property Organization (WIPO) and has a network of “intellectual property attaches” who are commercial officers in designated US embassies and consulates. The Director of USPTO is statutorily designated to advise the President and the Secretary of Commerce on all issues of intellectual property; USPTO also has the largest staff of intellectual property experts in USG.

1) Explore Win-Win Outcomes at WIPO on Matters Before the Intergovernmental Committee (Igc) and on the Design Law Treaty

During the Obama Administration, the United States showed great leadership at WIPO achieving multilateral treaties protecting audiovisual performers and improving access to copyright works for the visually-impaired. There is now an opportunity to exhibit productive leadership in several WIPO fora. In the IGC, the United States should promote discussion of a compromise disclosure of origin mechanism that would not invalidate patent rights; it may also be possible to achieve consensus on some other IGC issues. In the Standing Committee on Trademarks (SCT), leadership from the United States could help add flexibility to the draft Design Law Treaty (DLT) that would allow countries to include disclosure of a design’s origin as part of their national application process.

Contributors: Margo A. Bagley, Justin Hughes

2) Reorganize China IP Engagement for Greater Depth, Coherence, and Efficiency

There is a broad consensus that U.S.-China relations cannot and should not return to their pre-2017 form. At the same time, in dealing with China the next administration has to show both strength and more intelligent strategies. Intellectual property and innovation policy hold both the prospect for cooperation and the need to address Chinese initiatives that have negative effects on U.S. interests. Currently, engagement with China on IP and innovation is spread over several agencies, including State, USTR, ITA, DOJ (Antitrust/Counter-intelligence/CCIPS), FTC, ITC, USPTO, OSTP, NIST, DOD (including the Defense Innovation Unit), CFIUS, BIS and the White House “IP Czar.” Most of these offices lack the staff and resources needed to address increasingly complex and cross-disciplinary issues. While the USPTO “China Team” is the most deeply resourced (between 20-25 people in three Chinese cities, including several China-admitted attorneys and STEM-educated officials), the agency has often been excluded from the U.S.-China negotiating table – and even clearance chains on tech issues.

An executive order should establish an inter-agency “task force” to address China in intellectual property and innovation policy, with the understanding that this task force

will be long-term, if not permanent. The task force should include State/various Commerce constituent agencies/USTR and representatives of the various science agencies, DoD, as well as CFIUS and BIS. The task force should have concrete mandates on seconded staff from other agencies, and the percentage of task force staff who have Chinese language skills, STEM background and ideally, Chinese legal experience. The task force staff should leverage extensive database and analytic tools (currently housed in a China Resource Center at USPTO, but also found in our intelligence and other agencies) to provide active support for other agencies, such as law enforcement, BIS/CFIUS, and DHS. The task force should develop coordinated USG responses to China's model of state-dominated IP planning, anticipated disruptions caused by China's intervention in technology and IP markets, Chinese efforts to dominate global standards setting bodies, state sponsored economic espionage or technology misappropriation, and even bad faith applications from China in both patents and trademarks.

Contributor: Mark Cohen

3) Increase Cross-Agency Collaboration on International Work on Genetic Resources

The next administration should address the need for greater cross-agency collaboration on important issues such as digital sequence information on genetic resources, which it is being addressed in several UN agencies (WIPO, CBD, FAO, WHO, ABNJ). A comprehensive review of the U.S. position on these issues should be undertaken, including the question of whether the United States should ratify the Convention on Biodiversity.

Contributor: Margo A. Bagley

4) Make USPTO Attachés Rank Commensurate with Expertise

The USPTO funds "IP Attaché" offices in 12 U.S. missions around the world (Mexico City, Lima, Brasilia, Brussels, Geneva, Kuwait City, Kyiv, New Delhi, Bangkok, Beijing, Shanghai, and Guangzhou). These teams provide in-region support to U.S. initiatives and American intellectual property owners, but they are underutilized as resources for the formation and execution of U.S. policy. One structural reason is that lead attachés are not given the rank of "counselor" or higher on official diplomatic lists filed with the host foreign government. At the end of 2020, the Senate Foreign Relations committee required the State Department to elevate the rank of IP Attachés at the four largest U.S. missions to which attaches are assigned. This is a positive development, but IP Attaché rank at all U.S. missions should be based on the experience and qualifications of the individuals being posted. To enhance USPTO's ability to recruit the best candidates for these posts, USPTO should be granted the authority to recommend individuals for

counselor positions in all postings based on the prior experience and qualifications of the individual.

Contributor: Mark Cohen

5) Other Components of USPTO and the U.S. Patent System

1) Expand the Patents for Humanity Program

The Patents for Humanity is a USPTO awards competition recognizing innovators who use game-changing technology to meet global humanitarian challenges, but we should do more to encourage patent holders to use their technologies to benefit the least advantaged members of society. The program provides business incentives for positive social impact by making useful technologies accessible, especially to underserved communities. Winners receive an acceleration certificate to expedite select proceedings at the USPTO, as well as public recognition of their work. The next administration should expand and further promote the Patents for Humanity Program as a showcase for innovative ways patent holders can provide affordable, scalable, and sustainable solutions for the less fortunate. USPTO should allow acceleration certificates awarded under the program to be transferable, which would both enhance the program and provide financial incentives to SMEs and small start-ups to participate more. Such transferability is the subject of HR 7259, the Patents for Humanity Program Improvement Act; the new administration should support its passage.

Contributor: Quentin Palfrey

2) Establish a Small Claims Court for Patent Infringement

Lack of practical IP enforcement options for small companies and individuals has increasingly been recognized as a shortcoming of IP systems and the inability to enforce their rights after a patent grant may especially disincentivize minority inventors. In the sister field of copyrights, Congress just established a small claims court mechanism at the U.S. Copyright Office in the CASE Act of 2020, which was passed into law as part of the Consolidated Appropriations Act, 2021.

In conjunction with other executive branch agencies, USPTO should explore the feasibility of creating a venue for inventors to seek relief for infringement of their patent rights expeditiously and economically. In addition to looking at the advantages and disadvantages of the tribunal established in the CASE Act, study in this area would include review of the functioning of the United Kingdom's "Intellectual Property Enterprise Court," which handles disputes under £10,000.

Contributors: Margo A. Bagley, David J. Kappos

6) Broader Administration Policy Initiatives that would include USPTO

1) Establish a Blue Ribbon Commission on National Innovation Strategy

The Administration should demonstrate its commitment to the long-term success of the U.S. economy through a “blue ribbon” Commission charged with proposing a cohesive, coordinated strategy for the U.S. to lead the future of innovation. The Commission would be established by executive order, naming the Vice President as Chair and bringing in present and former government leaders, CEOs, founders of start-ups, technologists, academics, and others. USPTO should be one of the lead agencies providing staff support to the commission’s work.

Contributor: David J. Kappos

2) Make global access to medicines a priority in international trade

PTO should coordinate agencies to prioritize global access to medicines and its relationship to patent rights in international trade. When negotiating international agreements that relate to patent protections, US policy should continue to stress the importance of our trading partners respecting the patent rights of US companies, including pharmaceutical companies. But too often US trade negotiators fail to view global public health and access to medicines as core US government interests. As a result, US trade policy is sometimes in tension with the goals of USAID, PEPFAR (the President’s Emergency Plan For AIDS Relief), and the US Department of State. Agencies involved in such an interagency effort should include USPTO, ITA, USTR, OSTP, USAID, PEPFAR, and State.

Contributor: Quentin Palfrey and Margo Bagley

3) Developing Robust USPTO Data to Inform Innovation Policy

The USPTO is a treasure trove for innovation data as well as insights on the performance and operation of the patent system. Patents data are cited frequently in the economic literature on economic dynamism and innovation, they are used to track information flows and talent flows, and they provide the foundation for evidence-based patent policy. The agency has embraced the open data movement, released a large range of products, and seeded much research and open data startups. Building on this strong foundation, the usefulness of the USPTO's current data products and data collaborations could be boosted considerably through several steps: 1) enhancing the consistency, continuity and quality of the Agency's data products (for example, the

office action dataset); 2) joining the USPTO's data with other datasets, for example in order to support the identification of small businesses (e.g. with SBA data), public firms doing material transactions (SEC), pharmaceutical firms, young firms, veterans, and other demographic groups and orange book patents (FDA); 3) offering curation services to help accelerate innovation in key areas of focus. The USPTO should increase staffing and funding to current efforts, which reside in the Office of Chief Economist and Chief Information Officer office, and also seek to explore partnerships with agencies with complementary innovation data, as well as White House council. This analysis could also inform diversity and inclusion efforts at the PTO.

Contributor: Colleen Chien

4) Convene a cross-agency task force on drug pricing

The Administration should include USPTO in a cross-agency task force on drug pricing that includes, as part of its mandate, exploring patent reforms to rein in abusive practices that contribute to high drug prices. Polls consistently show that US consumers and voters believe that drug prices are too high. Most actionable solutions to this problem would occur outside of the patent system itself. One particularly promising area for reform for the task force to examine is the practice of evergreening and continuing to focus on patent quality improvements.

Contributor: Quentin Palfrey

5) Create a Blue Ribbon Commission on Patent System

Separate from or in conjunction with – a national blue ribbon commission on innovation, the next administration should consider a respected, high-profile commission to study current issues with the patent system, and recommend improvements through court, agency, and legislative changes. This could be started by executive order, naming the Secretary of Commerce as Chair, and bringing in CEOs, university presidents, economists, entrepreneurs, and scholars. It would be modelled on commissions from previous administrations that have recommended major changes to the IP system, including the Hruska Commission's recommendations that led to the creation of the Federal Circuit in 1982, 67 F.R.D. 195.

Contributor: David J. Kappos

III) Governance Insights

We asked a group of over 20 former PTO officials to share their “lessons learned” on how to hit the ground running at the agency. They shared their insights on improving execution and what they wish they had better understood when they joined the agency.

Insights to Support Agenda Setting and Execution

- Orientate PTO staff with briefings on OMB, international negotiations, patent regulatory landscapes, and intergovernmental affairs.
 - OMB: The PTO should provide a more constructive introduction to OMB, including a thorough briefing on how OMB conducts review, oversight and coordination, and interagency clearance as well as an introduction to OMB staff to PTO staff.
 - International Negotiations: PTO staff would benefit from more background briefings, including on historical relationships between USPTO and counterpart agencies in other countries, USPTO and WIPO, etc. Given the rotating nature of the position, PTO staff need to have access to the context of international agreements and negotiations so that they can chart an informed path forward.
 - Patent Regulatory Landscapes: New officials at USPTO would benefit from a better understanding of the current role and potential use of the agency’s statutorily-mandated advisory committees (the Patent Policy Advisory Committee and the Trademark Policy Advisory Committee) as well as the importance of POPA, the labor union representing the agency’s examiner corps.
 - Intergovernmental Affairs: PTO staff should be briefed on how to navigate the overlapping interests of various agencies and White House units and to appreciate the disincentives agencies have for working together.
- Aligning U.S.-China position with White House. The PTO has been in a holding pattern with respect to China and that a lot of the work by the Obama Administration in relation to China was lost. In a US-China relationship that will be intensely competitive in some areas and productively cooperative in others, PTO should press the new administration for guideposts on what outreach and initiatives will be appropriate, including recovering PTO’s role in inter-agency processes on China and what bilateral fora for engagement with China on IP issues can be reestablished.
- Build on PTO strengths for execution. In interagency processes, the PTO’s strength derives from its size, finances, and expertise. The agency must do a better job leveraging these resources.
- Leveraging non-profit organizations and public-private partnerships, such as the Partnership for Public Service and Results for America for private-sector insights into how USPTO can improve operations and continue to focus on evidence-based outcomes, including closing gaps in outcomes correlated with gender, race, ethnicity, veteran status, or sexual orientation.
- Against political opposition, you can slow-walk policy initiatives. The rotating door of political appointees means that significant power exists below the political level and

career personnel can slow walk policy initiatives as a means of waiting out the current political. In short, it's important to appreciate that the priorities and objectives of political rarely last beyond their tenure unless policy priorities are successfully baked into regulations, legislative changes, or completed structural reforms;

- Out of many, one. Intellectual property issues can be surprisingly contentious within USG. When the administration does a good job of speaking with one voice, these disagreements are rarely seen from the outside, so this is easily a blind spot.
- Pick your fights. You should accept some inability to control career administrative staffing who work directly with you on day-to-day matters (like travel, email management, etc). It is probably better to accept many agency practices that are tolerable even if they seem inefficient or badly organized.

Insights on Building Teams and Fostering an Effective Culture

Former PTO staff provide guidance on specific roles in the agency, what positions should be filled quickly, what people going into existing positions should do (differently), what new positions should be created. In some cases, the suggestions applied to small offices or functions within USPTO instead of a single individual position.

Existing positions and offices

- The Commissioner for Patents and the Commissioner for Trademarks should have more direct impact on the activities of the IP Attache program, including PPAC and TPAC.
- Chief Policy Officer/OPIA: International technical assistance efforts need to become more efficient and integrated into the business and the PTO as a whole with greater impact. Programs should extend beyond patent and trademark examiners or enforcement officials to journalists, technology managers, IP economists, legislators, etc. Online programs should be maintained and expanded post-pandemic as a cost-efficient measure.
- Chief Economist (currently part of the OPIA reporting structure): More actionable statistics and economic information should be publicly available. This might also involve assisting other agencies (ITA/DOJ/FBI) on how PTO data can be used to assist them.
- Office of Enrollment and Discipline: Enrollment to foreign nationals should be limited to those countries that permit our patent agents and lawyers to practice before their patent and trademark offices. If US lawyers resident in China can't practice before the Chinese patent and trademark offices, then Chinese lawyers resident in the U.S. shouldn't be able to practice before USPTO.
- The IP Attache program needs to become more efficient, more expansive and better integrated into PTO (including onboarding of returned attaches). Language requirements should be imposed for certain positions. To reduce costs, more local hires should be made where possible. In addition, FCS should be required to move on

proposed new hires as quickly as possible, rather than leave positions vacant for long periods of time. The PTO should also have greater flexibility to relocate offices within the network of embassies and consulates.

- Solicitor's Office: the Solicitor's office should consider taking a greater interest in IP lawsuits in the United States involving foreign parties, including promoting greater reciprocity in treatment of US litigants overseas through arguing in US courts for reciprocal treatment, e.g., arguing against pro hac vice treatment; taking positions on anti-suit injunctions; and arguing for or against recognition of foreign judgments in IP.
- Committed, active leadership in the National Council for Expanding American Innovation. This initiative could be a boon to American inventiveness and economic advancement for women and black and brown inventors; it could also be a bust – another policy initiative that looks good on a webpage but really does nothing.
- A functional, proactive Diversity, Equity and Inclusion Office with authority to work on behalf of the examiner corp (as opposed to limiting the number of lawsuits against the agency);
- No large institution in America is immune from racism and USPTO should designate a high-ranking official to investigate potential discrimination in agency operations, including personnel promotion, assignments, and disciplinary actions.

IV) Talent Enablers

This section outlines critical S&T roles and related positions that are key to supporting the next administration's agenda. Below we include existing key positions that the next PTO leadership should consider with extra attentiveness and care.

Position: Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office

Appointment: PAS

Description: Principal advisor to the President on all intellectual property policy matters; serves as chief executive of USPTO; guides PTO's strategic and management goals.

Relevance to S&T in next administration: Steers the PTO's direction on IP priorities.

Director will play a critical role in aiding and supporting the implementation of administration's policies on innovation, industrialization, research and development, food and drug, and trade.

Position: Deputy Under Secretary and Deputy Director of the United States Patent and Trademark Office

Appointment: XS

Description: Advisor to PTO Director and responsible for the operations of 4 USPTO Regional Offices, including 13,000 employees, and the management of the \$3.5 Billion budget. Divides policy leadership duties with PTO Director.

Relevance to S&T in next administration: Aids in steering PTO's direction on IP priorities. Similarly, can focus the legislative, regulatory, and international initiatives needed to support the next administration's S&T agenda.

Position: *Chief of Staff*

Appointment: NA

Description: Advisor to PTO Director and responsible for operational management, as well as the communication of the President's IP agenda. Primary liaison for day-to-day policy coordination with the White House, Department of Commerce, and other agencies.

Relevance to S&T in next administration: Key bridge between administration and PTO in shaping and executing an IP agenda that values S&T. During Obama administration, Chief of Staff was a source of substantive counsel to the Under Secretary on S&T policy matters.

Position: *Deputy Chief of Staff*

Appointment: SC

Description: Supports Chief of Staff in advising PTO Director and assisting in operational management of PTO. Additionally, helps liaise with White House, Department of Commerce, and other agencies.

Relevance to S&T in next administration: Although it's an operational role, over the past decade, Deputy Chief of Staff has also been a source of substantive counsel to the Under Secretary on S&T policy matters.

Position: *Senior Advisor*

Appointment: SC

Description: Advise PTO Director on patent and trademark policy, as well as strategic direction of PTO.

Relevance to S&T in next administration: Senior Advisors often have portfolios of specific and substantive policy matters, to advise Under Secretary. These portfolios mostly included S&T issues and/or interagency coordination on S&T issues.

Position: *Commissioner of Patents*

Appointment: NA

Description: Operational lead of patents division of USPTO. Manages and directs administration of patent operations, examination policy, patent quality management, international patent cooperation, resources and planning, and budget administration.
Relevance to S&T in next administration: Although typically an operational role for PTO, previous Commissioners have played a substantial role in S&T policy discussions and decision making.

Position: *Commissioner of Trademarks*

Appointment: NA

Description: Operational lead of trademarks division of USPTO. Responsible for trademark examination policy, trademark operations, and trademark administrations.
Relevance to S&T in next administration: Although typically an operational role for PTO, previous Commissioners have played a substantial role in S&T policy discussions and decision making.

Position: *Chief Judge of the Patent Trial and Appeal Board (PTAB)*

Appointment: NA

Description: Leads the PTAB as it conducts post-grant trials, including inter partes reviews, post-grant reviews, covered business method patent reviews and derivation proceedings, and as it hears appeals from adverse examiner decisions in patent applications and reexamination proceedings.
Relevance to S&T in next administration: PTAB administrative adjudication is becoming increasingly important to patent and innovation policy. Chief Judge plays a continuing and substantial role in S&T policy discussions.

Position: *Chief Communications Officer*

Appointment: SC

Description: Responsible for development and implementation of strategic communication for PTO. Supervises a team of media relations, speechwriting, social media, and business engagement staff to accomplish communication objectives. May also oversee special partnership projects, such as the National Inventors Hall of Fame or National Medal of Technology and Innovation.

Relevance to S&T in next administration: Communicates strategic S&T priorities to PTO staff, Dept. of Commerce, White House, and the public.

Position: *General Counsel*

Appointment: CA

Description: Legal advisor to PTO Director. Oversees Office of General Counsel, which includes the Office of the Solicitor, the Office of General Law, and the Office of

Enrollment and Discipline. Represents the agency before the Federal Circuits and works with the Solicitor General and Dept. of Justice to formulate USG positions on Supreme Court litigations.

Relevance to S&T in next administration: Shapes US innovation policy by intervening on behalf of USG in appellate cases that bear on substantive patent, trade secrecy, and copyright law.

Position: *Chief Policy Officer and Director for International Affairs*

Appointment: CA

Description: Advisor to PTO Director. Manages the PTO's domestic and international IP policy activities, legislative engagement, education and training, global advocacy (see: *IP Attache Program*), and economic analysis.

Relevance to S&T in next administration: Key to PTO's leadership and participation in both domestic and international innovation policy.

New Roles to Advocate

- A new Deputy Undersecretary for International Affairs should be created to handle international coordination and outreach. USPTO is too thinly staffed at the political level;
- A high level liaison with the NIH and with the FDA to make it easier to collaborate as new issues arise. It is always easier to resolve issues from an established relationship;
- A judicial policy advisor to provide the USPTO Director with advice on appellate court and trial court cases that impact over-arching USG policy goals and, therefore, may warrant agency intervention;
- Creation of a position to oversee, interact with, and speak within USPTO management on behalf of remote, regional, and posted-abroad workers. Remote worker needs, morale, etc. are generally assumed to be coterminous with workers on the main USPTO campus. However, that is not correct. USPTO should have a position that represents the needs of remote workers.

V) Participants

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