

PATENT & TRADEMARK POLICY REPORT

JULY 22, 2022



I. Congressional Developments:

- On Thursday, the House Judiciary IP Subcommittee held a hearing titled “The Patent Trial and Appeal Board After 10 Years, Part II: Implications of Adjudicating in an Agency Setting.” The purpose of the hearing was for members to learn about the preliminary findings from the U.S. Government Accountability Office’s (GAO) study of whether factors outside of the evidentiary record and public legal authority influence PTAB decision-making. The leaders of the Subcommittee asked GAO to investigate the matter last year after observing that the Director’s oversight and control over Administrative Patent Judges (APJs) could raise due-process and transparency concerns. The following witnesses testified before the Subcommittee: [Mr. Michael Asimow](#), Deans Executive Professor of Law, Santa Clara University School of Law; [Mr. James Donald Smith](#), Chief Intellectual Property Counsel, Ecolab; [Mr. Richard Torczon](#), Senior Counsel, Wilson Sonsini Goodrich & Rosati; and [Ms. Candice Wright](#), Director, Science, Technology Assessment, and Analytics Team, GAO. Candice Wright told members of the Subcommittee that the GAO’s preliminary work identified concerns among PTAB judges about the increasing level of management oversight. During the Q&A portion of the hearing, members asked witnesses about how federal policymakers could increase transparency and ensure due-process in PTAB proceedings. When asked by Representative Deborah Ross (D-NC) about what would be included in the GAO’s final recommendations, Ms. Wright suggested that the agency would provide potential fixes to be implemented by PTAB and USPTO, but would likely

Headlines and Highlights:

- House Judiciary IP Subcommittee considers preliminary findings of GAO’s PTAB study at hearing.
- USPTO publishes request for comments on PTAB and Director review.
- CBP officers intercept 86 counterfeit 3-D holographic pictures bearing the unauthorized trademarks of Bob Marley and the Joker.
- USPTO and WIPO agree to undertake joint efforts to facilitate the resolution of disputes related to SEPs.
- Google faces class action suit in London claiming that it overcharged customers for app store purchases.
- USPTO webinar to provide update on IP legislation and case law in China next week.

not include proposed legislative solutions. Nevertheless, both Chairman Hank Johnson (D-GA) and Ranking Member Darrell Issa (R-CA) seemed open to pursuing a legislative fix to address the problems discussed during the hearing. Finally, Representative Thomas Massie (R-KY) used the hearing as an opportunity to voice his opposition to the PTAB, calling it “un-American” and unconstitutional under the Seventh Amendment. Find a full summary of the hearing from ACG [here](#) and a recording of it [here](#).

- On Thursday, the Patent Coordination and Improvement Act of 2022 ([S.4430](#)) was on the agenda for the Senate Judiciary Committee’s Executive Business Meeting, but was held over until next week due to attendance issues. The bill, which is sponsored by Senate Judiciary Committee Chairman Dick Durbin (D-IL) and Ranking Member Chuck Grassley (R-IA), would establish a task force between the USPTO and the Food and Drug Administration (FDA) to improve communication and coordination in implementing each agency’s activities related to patents. More info. [here](#).
- On Tuesday, Senator Amy Klobuchar (D-MN), Chairwoman of the Senate Judiciary Antitrust Subcommittee, once again called on Congress to pass the Innovation and Choice Online Act. “We must pass legislation to put rules of the road in place for dominant tech companies,” Klobuchar said in a statement Tuesday. “These platforms use their dominance to unfairly disadvantage their rivals, all at the expense of competition and consumers.” Senate Majority Leader Schumer (D-NY) said Tuesday that a vote on the aforementioned bill has been delayed due to other efforts in the upper chamber to boost domestic chip manufacturing and to confirm judicial nominees. Asked about antitrust proposals, the Majority Leader said “I’m working with Senator Klobuchar. I support these bills. ... We have to see that we have 60 votes.” Read more [here](#).

II. Administration Updates:

- On Tuesday, CBP officers at the Area Port of Norfolk-Newport News, Va., intercepted 86 counterfeit 3-D holographic pictures bearing the unauthorized trademarks of reggae icon Bob Marley and the clown prince of crime, the Joker. The package had arrived from China and was destined to an address in Louisville, Kentucky. More info. [here](#).

III. USPTO Updates:

- On Wednesday, USPTO published a request for comments on practices and policies for the review of PTAB decisions. According to the Federal Register notice soliciting comments, the USPTO is seeking input on the current Director review process that allows a party to request Director review of a PTAB final written decision in inter partes review (IPR) or post-grant review (PGR) proceedings, and also provides the Director the option to sua sponte initiate the review of any PTAB decisions (at the Director’s discretion), including institution decisions and decisions on rehearing. The USPTO also seeks input on the Precedential Opinion Panel (POP) process. Comments are due to the USPTO by September 19th. More info. [here](#).
- On Wednesday, USPTO and the World Intellectual Property Organization (WIPO) announced that they had agreed to undertake joint efforts to facilitate the resolution of disputes related to standard essential patents (SEPs). Under the terms of the agreement, the USPTO and WIPO will cooperate on activities that will lend efficiency and effectiveness to

the resolution of disputed standard essential patent matters by leveraging existing WIPO Arbitration and Mediation Center and USPTO resources. The two parties also agreed to engage in stakeholder outreach to raise awareness of the services provided by the WIPO Arbitration and Mediation Center through joint USPTO-WIPO programs. More info. [here](#).

- Beginning August 1st, USPTO is streamlining the process for following new assignments, obtaining information on pending assignments, questions on assignments, liens on patents, filing assignments, recordation forms, and trademark assignments. Going forward, users will submit requests virtually using the Electronic Patent Assignment System (EPAS) and Electronic Trademark Assignment System (ETAS) storefronts. Paper and fax assignment requests will be directed to the EPAS and ETAS storefronts for digital submissions. More info. [here](#).
- Effective August 6th, USPTO will begin requiring all UPSTO.gov account holders to verify their identities as a condition for filing electronic trademark forms. When verifying identities, account holders will also need to choose a user role. According to USPTO, this move to mandatory verification will enable USPTO to shut down accounts used by bad actors for fraudulent filings and prevent them from creating new unverified accounts. More info. [here](#) and [here](#).

IV. Judicial Updates:

- On Monday, the U.S. Court of Appeals for the Federal Circuit decided that a Delaware court should not have ruled for Ford Motor Co. in a case brought by Massachusetts Institute of Technology professors who argued the carmaker violated their patents on a fuel-management system for car engines. The appeals court said that the lower court had misinterpreted parts of the patents in a decision that led the university to drop the case. The Federal Circuit sent the case back for further proceedings. More info. [here](#).

V. International Updates:

- On Tuesday, *Reuters* reported that Google is facing a trial in London in a class action lawsuit alleging that the Big Tech company overcharged 19.5 million customers for app store purchases. Google faces an estimated \$1.1 billion damages claim in the dispute. Read more [here](#).
- Next Thursday, July 28th, from 1:00pm – 2:00pm ET, USPTO is holding a webinar to provide an update on developments on IP legislation and case law in China. More info. and register online [here](#).