

PATENT & TRADEMARK POLICY REPORT MARCH 15, 2024



I. Congressional Update:

Last week, Reps. Jason Smith (R-MO) – Chair of House Ways and Means – and Adrian Smith (R-NE) – Chair of the panel's trade subcommittee – issued a joint statement expressing disappointment with the limited outcomes from the 13th World Trade Organization (WTO) Ministerial conference. "The outcomes of the recent World Trade Organization ministerial meeting were far too limited and do not provide the broad reform that is needed to advance American interests." However, both expressed support for the renewed moratorium on tariffs on digital trade, and the disapproval of a waiver for intellectual property rights protections for COVID-19 treatments and testing materials. "Since the 12th WTO Ministerial two years ago, congressional Republicans, as well as increasing numbers of Democrats, have made clear that the United States must oppose any waivers to U.S. intellectual property rights and support an extension of the e-commerce moratorium to prevent other countries from imposing tariffs on the movement of data. We were pleased to see both of those outcomes achieved last week at the 13th Ministerial." Read key highlights of the hearing here and the full statement here.

II. Administration Update

• On Monday March 11, President Biden released his budget for FY25. The Administration aims to lower costs for the American people, protect and strengthen social security and Medicare, cut the deficit by promoting tax fairness, invests in America and the American people, supports America's workforce, and confronts the climate crisis among other initiatives. The official Fact Sheet can be found here. In terms of AI according to *FedScoop*,

Headlines and Highlights:

- Reps. Jason Smith and Adrian Smith Express Disappointment with WTO Outcomes
- President Biden's FY25
 Budget Includes
 Investments in AI and Tax
 Fairness
- USPTO Establishes Office of Public Engagement for Enhanced Outreach
- USCO and USPTO Publish Joint Study on NFTs
- USPTO Seeks Comments on Accelerating Commercialization of Innovation
- USPTO Hosts
 Entrepreneurship Essentials
 Road Show for Military
 Community

"The budget looks to advance the goals laid out in President Biden's executive order on AI, by outlining approximately \$30 million in funds for the <u>National AI Research Resource</u> pilot (NAIRR), \$70 million for federal agencies to establish <u>Chief AI Officers</u> (CAIO), \$32 million for the <u>AI talent surge</u> and more, according to an email shared by an Office of Management and Budget spokesperson." Read more <u>here</u>.

• On Tuesday, March 12, USTR submitted to Congress its Budget Justification for FY2025 which includes USTR's strategic objectives, accomplishments, and measurements for success for the upcoming fiscal year. "The Biden-Harris Administration's vision is to invest in all of America, so that the middle class has a fair shot and no one is left behind. Our Fiscal Year 2025 Budget will allow USTR to further progress the Administration's worker-centered trade agenda to build our American economy from the middle out and the bottom up and to empower our working communities," said United States Trade Representative Katherine Tai. For FY 2025, the funding request for the Office of the United States Trade Representative is \$76 million. This includes \$61 million available directly to USTR and \$15 million allocated through the Trade Enforcement Trust Fund (TETF). This request is equal to an FY 2024 annualized continuing resolution (CR). The full budget justification can be found here.

III. USPTO Updates:

- On Monday, March 11, the U.S. Patent and Trademark Office (USPTO) introduced the Office of Public Engagement (OPE) as part of broader organizational changes aimed at enhancing outreach and support to American communities. The OPE, a newly established business unit, consolidates various outreach, education, and customer experience efforts under one umbrella, including the four USPTO Regional Offices. Led by USPTO executive Scott Ewalt as interim Chief Public Engagement Officer, the OPE will focus on strengthening connections and collaboration with innovators, creators, and business owners. Additionally, the realignment plan approved by Congress elevates the Cybersecurity Unit within the Office of the Chief Information Office (OCIO), the Office of Governmental Affairs (OGA) as its own business unit, and establishes a new division for the Designs team within Patents. These changes aim to optimize the agency's structure and enhance service delivery to the public, reflecting USPTO's commitment to fostering innovation and economic growth. Read more here.
- On Tuesday, March 12, the U.S. Copyright Office (USCO) and the USPTO published the results of their joint study on the intellectual property law and policy implications of nonfungible tokens (NFTs). The Offices conducted the study in response to a June 2022 request from then-Chair of the Senate Committee on the Judiciary Subcommittee on Intellectual Property Patrick Leahy (D-VT) and Ranking Member Thom Tillis (R-NC). Both the USCO and USPTO concluded that existing statutory enforcement mechanisms are currently sufficient to address infringement concerns related to NFT applications and that changes to IP laws or to their registration and recordation practices are not necessary or advisable at this time. The full study is available on the Copyright Office's website and the USPTO's website.

- On Friday, March 15, the USPTO, with support from the National Oceanic and Atmospheric Administration (NOAA), the National Institute of Standards and Technology (NIST), and the National Science Foundation (NSF), published a <u>request for comments</u>, seeking input on ways the USPTO could accelerate and incentivize commercialization of innovation through intellectual property, with particular attention to green, critical, and emerging technologies. Comments are due May 14.
- On Saturday, March 16, the USPTO, in collaboration with First Lady Jill Biden's Joining Forces initiative and the U.S. Small Business Administration (SBA), will host an Entrepreneurship Essentials Road Show and Resource Fair tailored for members of the military community. Taking place from 9:30 a.m. to 12:30 p.m. at Fort Buchanan Community Club & Conference Center in Puerto Rico, this event offers insights into starting and managing a business, along with access to valuable resources and tools for success. From crafting a business plan to safeguarding your brand and securing financing, attendees will gain comprehensive guidance. The event features panel discussions with accomplished military spouses and veteran entrepreneurs, providing a platform for learning and networking. Confirmed speakers include Mala Adiga, Deputy Assistant to the President and Director of Policy and Strategic Projects for First Lady Jill Biden, Sheila Casey, Special Assistant to the President and Executive Director of Joining Forces, and Nestor Ramirez, Assistant Commissioner for Patents at the USPTO.

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