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PATENT & TRADEMARK POLICY REPORT DECEMBER 18, 2020



I. Congressional Developments:

- Last Friday, Senate Judiciary IP Subcommittee Chairman Thom Tillis (R-NC), Ranking Member Chris Coons (D-DE), and subcommittee member Senator Mazie Hirono (D-HI) sent a letter asking USPTO Director Andrei Iancu to respond to the claim in a recent paper by patent agent Mary T. Hannon that “[q]ualified women are unnecessarily excluded from membership in the ‘patent bar.’” Given Director Iancu’s commitment to expanding diversity in the patent system, the lawmakers state that they hope he will “look into the allegation and address it accordingly.” The letter includes a series of questions on the matter, and requests answers from USPTO by January 15th, 2021. Read more [here](#).
- On Thursday, *USA Today* published an editorial by House Ways & Means Health Subcommittee Chairman Lloyd Doggett (D-TX) and R Street Institute Senior Fellow Charles Duan calling on lawmakers to suspend patents on COVID-19 vaccines and treatments. The op-ed points to Section 1498 of the U.S. Code, which “enables the government to open up generic competition, with patent holders receiving a reasonable royalty in exchange.” Doggett and Duan call on the federal government to use this tool if patent holders fail to make treatments accessible, affordable, or produced in sufficient capacity. They also urge lawmakers to increase the transparency surrounding federal funding behind critical patent treatments, as well as trial data. “The public deserves to know what rights it has in essential medicines and technologies, as well as what

Headlines and Highlights:

- Senate Judiciary IP Subcommittee leadership ask USPTO to respond to the claim in a recent paper that “[q]ualified women are unnecessarily excluded from membership in the ‘patent bar.’”
- USPTO raises application fee for international applications designating the U.S. under the Madrid Protocol.
- Coalition of over 30 states file antitrust lawsuit against Google.
- GIPC hosts fourteenth annual IP attaché roundtable.
- In a *WSJ* editorial, former WIPO director general James Pooley urges WTO to reject an IP proposal from India and South Africa.
- USPTO is seeks public input on whether to revise its interpretation of the article of manufacture requirement.

value those technologies hold,” the pair exclaim. Read more [here](#).

II. Administration Updates:

- In a letter to U.S. Trade Representative (USTR) Lighthizer, a bipartisan group of 75 House members urged him to extend all exclusions from the Section 301 tariffs imposed on China that are slated to expire at the end of the year. The letter, led by Reps. Jackie Walorski (R-IN), Collin Peterson (D-MM), Darin LaHood (R-IL), and Ron Kind (D-WI), urges the administration to extend the exclusions “to provide economic stability as businesses grapple the unprecedented hardships caused by the Covid-19 pandemic.” Read more [here](#).

III. USPTO Updates:

- USPTO has amended the application fee for international applications designating the United States under the Madrid Protocol. The fee is set to increase from \$400 to \$500 per class, effective February 18th, 2021. More info. [here](#).
- On Friday, USPTO published a final rule changing the rules of practice in inter partes review (IPR), post-grant review (PGR), and the transitional program for covered business method patents (CBM) proceedings before the Patent Trial and Appeal Board (PTAB) to allocate the burdens of persuasion in relation to motions to amend and the patentability of substitute claims proposed therein. The rule will take effect on January 20th, 2021. More info. [here](#).
- USPTO is seeking public input on whether its interpretation of the article of manufacture requirement in the United States Code should be revised to protect digital designs that encompass new and emerging technologies. The official federal register notice soliciting comments is scheduled to be published next Monday. Read more [here](#).
- USPTO issued a final rule to clarify and expand the exceptions that permit a party to qualify for small entity status when a use license in its invention is held by the federal government. The rulemaking seeks to ensure that independent inventors, small business concerns, and nonprofit organizations obtain appropriately discounted fees when filing patent applications. More info. [here](#).
- This week, PTAB announced that it has designated two decisions applying the *Fintiv* factors as precedential. The first decision in *Sotera Wireless, Inc. v. Masimo Corporation* explains that the petitioner’s broad stipulation not to pursue in district court any ground that it raised, or could have raised, in the inter partes review weighs strongly in favor of institution. The second decision in *Snap, Inc. v. SRK Technology LLC* explains that a district court stay that would remain in place until an inter partes review final written decision weighs strongly in favor of institution. More info. [here](#).

IV. Judicial Updates:

- On Wednesday, Texas Attorney General (AG) Ken Paxton (R) announced that he is leading eight other states in a lawsuit accusing Google of taking illegal actions to hurt competition in the advertising technology market. Specifically, it alleges that Google and Facebook made a secret illegal pact in 2018 to divide up the market for advertisements on websites and apps.

All of the states joining the suit have Republican AGs: Arkansas, Idaho, Indiana, Kentucky, Mississippi, Missouri, North Dakota, South Dakota, and Utah. Read more [here](#) and [here](#).

- On Thursday, a coalition of 35 states plus Puerto Ricco, Guam, and Washington, D.C. filed an antitrust suit against Google, accusing the search giant of abusing its control over online search to squeeze out competitors and make inroads in new markets such as home speakers. The suit, filed in the same federal court where the Justice Department filed its antitrust case against the search giant this fall, asks the court to require Google to sell off assets “as appropriate to restore competition in key markets. Read more [here](#).

V. International Updates:

- On Tuesday, from 8:30 a.m. – 10:30 a.m. ET, the Global Innovation Policy Center of the United States Chamber of Commerce hosted a roundtable with the U.S. Patent and Trademark Office’s (USPTO) IP attachés. The roundtable featured presentations by various IP attachés from different geographic locations, including China, broader Asia, the Middle East, and Latin America. Altogether, the roundtable provided a discussion of recent trends and challenges in IP protection and enforcement worldwide. USPTO Director Andrei Iancu gave opening remarks for the roundtable. He first congratulated four attachés on being elevated to the diplomatic rank of “Counselor” at the U.S. embassies and missions in Belgium, China, India, and Mexico. He declared that the “new title for our IP attachés sends a clear signal that the United States takes the protection and enforcement of IP rights around the world very seriously.” Further, Director Iancu underscored the importance of promoting strong IP rights in the U.S. and worldwide. Director Iancu also highlighted numerous accomplishments such as entering into various bilateral agreements on IP, including a memo of understanding with India, the Parallel Patent Initiative with Mexico, and the Patent Elevation Agreement with Cambodia. He also outlined progress on the multilateral front. Lastly, Iancu warned that the global community must protect IP rights amid the pandemic to ensure that we have the same rapid innovation during the next global crisis. In closing, Director Iancu said that “we must remain vigilant and engaged” on IP rights globally. Find a full summary of the event [here](#).
- According to a new report from the World Intellectual Property Organization (WIPO), patent applications filed with China’s IP administration last year were down a tenth from the previous year, the first decrease in 24 years. Some stakeholders have claimed that the lower number of patent applications may indicate the success of China’s effort to transform its application structure and crack down on illicit and unqualified filings. Although Chinese patents applications declined overall, submissions from China under the Patent Cooperation Treaty (PCT), which assesses patent applications for countries other than one’s own, rose 11 percent from the previous year. Read more [here](#).

VI. Industry Updates:

- In an editorial published in *The Wall Street Journal* on Wednesday, James Pooley, former WIPO deputy director general and a member of the Center for Intellectual Property Understanding, urged the World Trade Organization not to approve a proposal from India and South Africa that would allow countries to disregard IP protections on COVID vaccines and therapeutics. Pooley claims that the proposal is “designed to benefit India’s and South Africa’s domestic drug industries at the expense of patients around the world.” He cites that

India is the largest manufacturer of generic drugs, and South Africa is a big producer as well. Pooley warns that if governments gave up on IP rights for treatments, they would have to negotiate a framework to fund pharmaceutical research publicly and distribute drugs around the world instead. This avenue, in his view, is “hopelessly unrealistic,” given the divisions within the U.N. He therefore urges policymakers to allow private industry to produce and distribute drugs instead of reinventing the wheel. Read more [here](#).