

NYIPLA[®]

March/April 2009

Bulletin

In This Issue

Article:

New from USPTO

Practitioner Maintenance
Fee and Online Roster
Updates

by

Jay H. Anderson1, 3-4

President's Corner2

NYIPLA Calendar4

Article: Meeting of the
U.S. Bar –
Japan Patent Office
Liaison Council

by

John B. Pegram 5

Article: Does the
Lanham Act Legislate
Morality? by

Frank Terranella 6-7

Historian's Corner8

2007-2008

NYIPLA Committee

Reports9-16

New Members..... 17-20



NEW FROM USPTO:

Practitioner Maintenance Fee and Online Roster Updates

Jay H. Anderson

Introduction

The USPTO has adopted a rule to implement an annual practitioner maintenance fee.¹ This rule was included in a set of proposed rules published in 2003² and the Final Rule became effective on December 17, 2008.³

Practitioners also will soon be able to update their entries on the USPTO roster through the OED home page accessible at www.uspto.gov. The USPTO calls this “self-managing your information.” In order to facilitate sending out notices regarding the new maintenance fee, the USPTO has reminded all practitioners to review and update their contact information on the official roster of attorneys and agents.⁴ When the ability to update roster information is implemented later this Spring, a practitioner may review his/her maintenance fee status, change addresses for regular mail and e-mail, and pay the practitioner maintenance fee online.

Who has to pay the fee?

All registered patent agents and attorneys must pay an annual maintenance fee to the USPTO Director. There is a reduced fee for practitioners on “volun-

tary inactive” status. (These practitioners are prohibited from practicing before the USPTO in patent cases.⁵) Persons granted limited recognition to practice must also pay an annual maintenance fee. Practitioners on “administrative inactive” status (this includes USPTO employees and judges) do not have to pay a fee.⁶

Several commentators have noted that the USPTO, in maintaining a roster of practitioners and controlling admission to it, performs the functions of a bar association – thus, an annual fee for maintaining registration seems reasonable.⁷

How much is the fee? When is it due? Will I get a reminder?

The annual fee is \$118.00 for a practitioner on active status and \$25.00 for voluntary inactive status.⁸ A person granted limited recognition must also pay \$118.00.⁹ Fees are assessed on a fiscal-year basis. We are now in FY09, which began on 1 October 2008 and ends on 30 September 2009. A practitioner on active status as of 1 October 2008 would be responsible for a fee of \$118.00 for FY09. A newly registered practitioner, not yet registered as of 1

cont. on page 3

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October 2008, would not have to pay a fee until FY10. If a practitioner switches from active to voluntary inactive status during FY09, s/he would be assessed \$118.00 in FY09, but only \$25.00 in FY10.¹⁰

With respect to reminders, the rule states: “Adequate notice shall be published and sent to practitioners in advance of the due date”¹¹ without setting forth a specific date (presumably not later than 30 September, the last day of each fiscal year). The USPTO plans to send a notice to each practitioner this Spring, setting a due date and providing instructions for paying the fee. Where multiple practitioners are at the same firm, the firm may make a single payment covering all its practitioners.¹²

What will the fees be used for?

The stated purpose for adopting the fee is “to maintain a roster of registered practitioners, including affording practitioners due process, protecting the public, preserving the integrity of the Office, and maintaining high professional standards.”¹³ In response to a comment on the 2003 proposed rules, the USPTO also states: “Annual practitioner maintenance fees collected under section 11.8(d) will be used to support maintenance of the roster of registered attorneys and agents, including the disciplinary system.”¹⁴ This, of course, raises the question as to how OED activities were previously funded.

Some commentators have noted that, in spite of these statements from the USPTO, there is really nothing to prevent future diversion of the funds raised by collecting practitioner maintenance fees, which may amount to between about two and three million dollars each year. Furthermore, assessing a fee for “maintaining high professional standards” could be seen by some as a device for getting those less interested in patent practice out of active status and into voluntary inactive status.¹⁵

There does not appear to be a clear relationship between the OED’s tasks (maintaining the roster, operating the disciplinary system in the OED, etc.) and the amount of the fees that would be collected. Query: is it pure coincidence that the new fee under rule number 37 C.F.R. § 11.8 is \$118?¹⁶ Then again, we may expect this fee, like all USPTO fees, to increase in coming years without regard to the actual cost of maintaining an electronic roster or running the OED.

What if I forget to pay?

A practitioner who fails to pay the annual maintenance fee is subject to administrative suspension.¹⁷ The OED Director will send a notice to the practitioner by mail at the postal address on the roster or by e-mail to the e-mail address(es) on the roster. The notice is also published. This notice will demand payment of the maintenance fee, plus a \$50.00 delinquency fee,¹⁸ within 60 days.¹⁹

If the practitioner does not comply within the time allowed, the OED Director will send (and publish) a Rule to Show Cause why the practitioner’s registration should not be suspended. The practitioner may file a response within 30 days, and the OED Director may file a reply within 10 days of receiving a copy of the response. If the USPTO Director determines that there are no genuine issues of material fact regarding the Office’s compliance with the notice requirements or failure of the practitioner to pay the required fees, the USPTO Director shall enter an order suspending the practitioner.²⁰

One can imagine a practitioner failing to pay the maintenance fee, failing to reply to the subsequent notice, and then being suspended, all because s/he did not maintain a current address on the roster. The practitioner can avoid this by checking on his/her “annual maintenance fee status,” which will be displayed with the contact information below the practitioner’s registration number. The practitioner will be able to see whether a fee is due, what balance is due, and the due date.

A suspended practitioner may be reinstated by making an application to the OED Director, paying all maintenance fees and delinquency fees due, and paying a \$100.00 reinstatement fee.²¹ However, if the practitioner remains suspended more than two years, s/he must also retake and pass the registration examination to be reinstated.²² Reinstatement is not retroactive.

Voluntary inactive status

Voluntary inactive status may be suitable for practitioners who have retired or are unable to continue their practice, but still desire to maintain a recognized professional association with the USPTO.²³ As long as the practitioner remains in voluntarily inactive status for an entire fiscal year, the maintenance fee is only \$25.00 for that year.

A practitioner who has failed to pay a required active-status fee, or who is administratively suspended, may not enter voluntary inactive status.²⁴

Updating contact information online

The USPTO is requesting all practitioners to check the agent/attorney roster to ensure that their business mailing address is accurate. If not, you will need to fill out a printable “Change of Address” form and mail it to the OED.

Sometime after 1 March 2009, the OED will send a password and a user ID, in two separate mailings, to each practitioner. A practitioner will then be able to sign in at the OED’s “On-Line Change of Address” page,²⁵ change the address and phone number on the roster, and add e-mail addresses (up to three). The OED will not change a listed e-mail address, and will not make a practitioner’s e-mail address public.²⁶

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A firm may make a single payment of the maintenance fee for all its practitioners. The firm (or company) name must be the same for all practitioners. The USPTO warns that the name must match precisely for all practitioners' listings (down to commas and ampersands) or else they will not be recognized as members of the same firm.²⁷

What you need to do

1. Check the roster. If your address is not accurate, fill in, print out and mail a paper Change of Address form to the OED.
2. Watch your mail. You should receive a user ID and a password for updating your roster entry. You should also receive information about paying the annual maintenance fee.
3. Build an accurate roster entry. Sign in with the user ID and password on the "Registered Practitioner Sign In" page. Make sure your address is exactly the same as everyone else at your firm. List multiple e-mail addresses; make one of those addresses your personal home e-mail (so that at least one e-mail address will still be good even after changing firms). Get the "Annual Practitioner Maintenance Fee Summary" to see the amount due and the due date.
4. Pay the annual practitioner maintenance fee online. Don't wait until the last minute or the last day to do so.



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Requirements and is counsel at Wiggin and Dana. He can be contacted at janderson@wiggin.com. Discussions with Committee members Michael Chakansky, Ted Weisz, Wanli Wu, and Brian Coggio, as well as Board Liaison Allan Fanucci, are gratefully acknowledged.

NOTES

- ¹ 73 Fed. Reg., 67,757 (2008) (codified at 37 C.F.R. § 11.8(d)).
- ² 68 Fed. Reg., 69,441 (2003).
- ³ 73 Fed. Reg., 67,750 (2008).
- ⁴ <http://www.uspto.gov/main/homepagenews/2008dec11.htm>
- ⁵ 73 Fed. Reg., 67,758 (2008) (codified at 37 C.F.R. § 11.11(d)(5)).
- ⁶ 73 Fed. Reg., 67,751 (2008).
- ⁷ See <http://promotetheprogress.com/blog/the-practitioner-maintenance-fee-a-necessary-development-that-carries-significant-concerns>; <http://www.intelligenceblog.com/2008/11/annual-practitioner-fee-at-uspto.html>
- ⁸ 37 C.F.R. § 1.21(a)(7).
- ⁹ 37 C.F.R. § 1.21(a)(8).
- ¹⁰ 73 Fed. Reg., 67,751 (2008).
- ¹¹ 37 C.F.R. § 11.8(d).
- ¹² <http://www.uspto.gov/main/homepagenews/2008dec11.htm>
- ¹³ 73 Fed. Reg., 67,750 (2008).
- ¹⁴ 73 Fed. Reg., 67,753 (2008).
- ¹⁵ See <http://www.patentlyo.com/patent/2008/11/patent-practice.html>; <http://promotetheprogress.com/blog/the-practitioner-maintenance-fee-and-the-promise-that-should-not-have-been-made/780/>
- ¹⁶ See <http://www.patentlyo.com/patent/2008/11/patent-practice.html> (and comments).
- ¹⁷ 73 Fed. Reg., 67,751 (2008).
- ¹⁸ 37 C.F.R. § 1.21(a)(9)(i).
- ¹⁹ 37 C.F.R. § 11.11(b)(1).
- ²⁰ 37 C.F.R. § 11.11(b)(2).
- ²¹ 37 C.F.R. § 1.21(a)(9)(ii).
- ²² 37 C.F.R. § 11.11(f).
- ²³ 73 Fed. Reg., 67,751 (2008).
- ²⁴ 37 C.F.R. § 11.11(d).
- ²⁵ <http://www.uspto.gov/web/offices/dcom/olia/oed/aboutaddress.htm>
No passwords or IDs had been issued at this writing, so these online features could not be tested.
- ²⁶ <http://www.uspto.gov/main/homepagenews/2008dec11.htm>; 37 C.F.R. § 11.11(a)
- ²⁷ <http://www.uspto.gov/main/homepagenews/2008dec11.htm>

NYIPLA Calendar

SAVE THESE DATES - More Details to Follow

CLE Day of Dinner • March 27, 2009 • Waldorf=Astoria, Starlight Roof • 301 Park Avenue, NYC

87th Annual Dinner in Honor of the Federal Judiciary • Friday, March 27, 2009 • Waldorf-Astoria

25th Annual Joint Patent Practice Seminar • April 30, 2009 • Hilton New York

CLE Program • Friday, May 15, 2009 • The Harvard Club, NYC

Title: Patent/Trade Secret Complementariness: An Unsuspected Synergy

Speaker: Professor Karl F. Jorda, Franklin Pierce Law Center

NYIPLA Annual Meeting and Award Dinner • Wednesday, May 20, 2009

University Club, 1 West 54th Street at Fifth Avenue, NYC

4:00 PM Business Meeting • 5:00 PM Cocktail Reception • 6:30 PM Dinner and Awards

CLE Program • Friday, June 26, 2009 • The Harvard Club, NYC

Title: *The Issue of Future Damages/Ongoing Royalties Post eBay*

Speakers: Hon. Ron Clark, U. S. District Court, Eastern District of Texas, Brian Napper, FTI Consulting, Richard Erwin, Quinn Emanuel Urquhart Oliver & Hedges, LLP

CLE Program • Wednesday, September 16, 2009 • The Harvard Club, NYC

Title: New Board of Appeals Rules and Appellate Practice before the Board of Appeals and Patent Interferences

Speaker: Honorable Michael R. Fleming, Chief Administrative Judge, Board of Patent Appeals and Interferences, U. S. Patent and Trademark Office