

Ms. Michelle K. Lee  
Deputy Under Secretary of Commerce for Intellectual Property and  
Deputy Director of the United States Patent and Trademark Office

Attention: Mr. James Engel  
Senior Legal Advisor  
Office of Patent Legal Administration  
Office of the Deputy Commissioner for Patent Examination Policy

April 24, 2014

Re: Comments of LES Japan in response to the Notice of Proposed Rulemaking,  
entitled "Changes To Require Identification of Attributable Owner," that appeared  
in the Federal Register on Friday, January 24, 2014 (79 FR 4105)

Dear Deputy Director Lee:

Licensing Executives Society Japan (LES Japan) is one of the member societies of Licensing Executives Society International (LESI), which is an international organization made up of 32 national/regional societies and has more than 10,000 members. The members of LES Japan primarily consist of individuals such as corporate executives and/or leaders, specialists in the legal field such as lawyers and patent attorneys, who are involved in licensing of intellectual property, including technology, patents, know-how, trademarks, software, digital contents, and technology transfer, and technical cooperation. In addition to such experts, the members of LES Japan also include individuals from academia and government service who have knowledge or are interested in intellectual property and licensing. LES Japan greatly appreciates having this opportunity to provide the PTO with our comments on the proposed changes to the rules of practice to require identification of the attributable owner, because Japanese corporations are no doubt among the top user groups of the U.S. patent system. Our comments are as follows:

First of all, LES Japan basically supports the idea and efforts of the PTO to timely update information, such as identification of patent owners, to provide greater transparency concerning ownership not only to examiners and administrative law judges but also to third parties. Based on LES Japan's understanding, we would like to provide our comments on problems with the proposed rules and to provide our proposals as described in the succeeding items 1 to 6 as below.

## **1 PROPOSAL A (A-1 or A-2):**

### **1.1 PROPOSAL A-1 (Requirement only when owner changed):**

The PTO's proposed rules uniformly require that the attributable owner, including the ultimate parent entity, be identified during the pendency of a patent application and at specified times during the life of a patent, more specifically on filing of a patent application, during patent examination, at the time of issue fee and maintenance fee payments, and when a patent is involved in supplemental examination, *ex parte* reexamination, or a trial proceeding before the Patent Trial and Appeal Board (PTAB).

Such requirements do not simplify proceedings before the PTO, but instead burden patent owners substantial economic and human resources costs, which is quite undesirable.

Therefore, *after the attributable owner is identified upon patent filing, an identification requirement should only exist in cases in which ownership changes after patent filing until expiration of the patent. Further, identification of the attributable owner should be required within a certain period of time (for example, within three months) of a change of ownership.*

Since mandatory notice identifying party(s) in interest is already required soon after a petition is filed in post-grant proceedings (IPR, PGM, CBM), *the requirement for post-grant proceedings in these proposed rules should be limited to a case in which the owner at the time of filing a petition and providing mandatory notice in post-grant proceedings is changed to another owner during the proceedings.*

### **1.2 PROPOSAL A-2 (No ownership change):**

If our PROPOSAL A-1 as described in item 1-1 above is not adopted, it is desirable to amend the proposed rules as described below:

In order to minimize the labor and expense on the part of patent owners and their representatives, it would be *highly desirable for the PTO to provide patent owners with a simplified template statement for use on the required submission form or application data sheet (e.g., in the form*

*of a statement with a check box) for a case in which there is no change in ownership at the times the reporting of attributable owner is required.*

**2 PROPOSAL B (At patent filing and during prosecution):**

*The information relating to attributable owner required to be identified at patent filing should be limited to the minimum information necessary to determine the scope of prior art under the common ownership exception under 35 U.S.C. 102(b)(2)(C). The requirement for subsequent identification of the attributable owner should only be applicable in a case in which the owner at the time of patent filing has changed to another owner so that PTO can determine whether such other owner qualifies under the definition of “the same person or subject to an obligation of assignment to the same person” as stipulated in 35 U.S.C. 102(b)(2)(C).*

**3 PROPOSAL C (After grant):**

Regarding the information relating to attributable owner of the patent after grant, it is insufficient to require the attributable owner to register at the time of payment of maintenance fee in view of the timely updating of the information because a considerable time lag may be existent. Therefore, *information disclosure should be required within a certain period of time (for example, within three months), if the change of attributable ownership occurs after the grant of the patent, instead of requiring to disclose the changed information at the time of the first, second and third payments of maintenance fees.*

**4 PROPOSAL D (Simplified form for multiple patents/patent applications):**

Due care should be taken to implement the identification requirement in a user-friendly manner to ensure that a new attributable owner can easily comply with the requirements of submission of updated ownership information within a certain limited time period; for example, *it would be much easier for a new attributable owner to submit ownership information in electronic form in a table, in which multiple patent applications and/or patents are listed simply by number, title and filing or issue date of the respective patent applications or patents.*

**5 PROPOSAL E (Scope of attributable owner):**

The scope of “attributable owner” in this proposed rules is much too broad and vague, for example, in terms of enforcement entities, ultimate parent entities or hidden beneficial owners. The rules *should provide stakeholders with clear identification of all entities that are “attributable owners” without necessitating stakeholders to consult an expert in corporate law.* Corporate law in one country may differ from that in another country. *Particularly, the definition of “attributable owner” should not include non-public stockholders or licensees.*

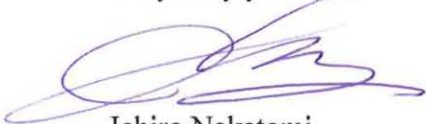
**6 PROPOSAL F (Relief):**

Since the penalty to the person who has not fulfilled the requirement of identifying the attributable owners is very harsh – abandonment of the patent application or patent – *it is imperative that there be a relief measure and conditions for relief for a failure to comply with the time limit* to submit the updated information of an attributable owner in a good-faith or *force majeure*, which should be consistent with the Patent Law Treaty.

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We would be pleased to answer any questions these comments may raise and look forward to participation in the continuing development of rules appropriate for patent practice.

Very truly yours,



Ichiro Nakatomi  
President  
Licensing Executives Society Japan