



## THE NAPLES ROUNDTABLE

Exploring Ways to Strengthen & Improve the Patent System

Title: Director Andrei Iancu's Act One

Panelist: Robert L. Stoll

Andrei Iancu is leaving an extremely lucrative position as Managing Partner at Irell to make his mark upon the patent system as Director for a salary that many in his wage bracket would consider a stipend. But his chance for significant policy impact is limited by time and the need to immediately deliver valid and timely patents on day one. Hopefully, Director Iancu is already planning some of his initiatives to get a jump start on his legacy.

It would help the system and immediately garner support from the IP community if Director Iancu could find a way to ensure that the funds provided by the users of the office are only used by the office. It seems like this would be a given since the USPTO is a fee-funded agency, but even after years of guarantees that the Office would have full access to what it collects, some of those funds have been siphoned off. The most recent example is the Department of Commerce appropriating funds for "shared services," but since the USPTO has little use for many of these services, this is actually a way for the cash-strapped Commerce Department to dip into the USPTO coffers for enhancements they want. The problem for Director Iancu is that careerists at the Commerce Department are influencing the new agenda there and getting their hands out of USPTO pockets might rankle some powerful Department colleagues.

Another early initiative should be to limit the scope of the exclusion from patent subject matter eligibility as required by the Supreme Court decisions themselves. Those decisions are to be "narrowly construed," but the breath of application by the lower courts has driven research in the affected industries of diagnostic methods, personalized medicine and computer-implemented process to more patent friendly shores. Updating the guidelines to reflect the Supreme Court's stated narrow applicability of the holdings would go far to revitalize domestic research in these industries that are vital to our economic growth. The problem here is that Director Iancu will counter previous administrations who were pressured by the community that broadly disfavors patents. Resisting the voices emanating from those who were not historical users of the patent system is necessary for further job creation in the US.



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Post grant procedures also deserve immediate attention, since just about everyone seems to be unhappy with them. Some have gone so far as to say that the procedures are irretrievably broken and should be abolished. But many of the problems with the board procedures could be fixed by rule changes initiated by the new Director. Standards for review and claim construction, the ability to amend claims, discovery scope, "gang tackling," and many other issues need to be analyzed by the new Director and, where appropriate, fixed by changes in the rules. The original intent for the new procedures was to provide a faster and cheaper alternative to litigation, and if the rules are properly implemented, this can still be achieved.

Lastly, the new Director should immediately meet with the Patent Office Professional Association (POPA), the examiner union, and upper level management and design a plan to re-educate examiners whose statistics are not within the norms of their units. High-quality patents, along with enabling disclosures and clearly bounded claims, are the best way to ensure a patent system that stimulates economic growth and job creation. Most of the examiners are dedicated to their jobs and try to do the best they can, but statistics available to the public show that some churn rejections and never reach allowance. The USPTO must get ahead of the perception that they are not doing enough to address the problem and take some visible action.

Addressing the above problems will take Director a long way towards a successful tenure in his new position.