



International Trademark Association
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March 20, 2009

The Honorable Patrick J. Leahy
Chairman
Committee on the Judiciary
United States Senate
Washington, DC 20510

The Honorable Arlen Specter
Ranking Member
Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Chairman Leahy and Ranking Member Specter:

The International Trademark Association (INTA) takes this opportunity to provide our views on the venue and fee setting provisions in S.515, the Patent Reform Act of 2009. These provisions in the bill relate directly to the Trademark Office and are areas where trademark owners have a particular interest.

Venue: Section 8(c) contains a technical amendment whereby venue would shift from the U.S. District Court for the District of Columbia to the U.S. District Court for the Eastern District of Virginia for civil actions in lieu of an appeal to the U.S. Court of Appeals for the Federal Circuit when a party is dissatisfied with the decision of the USPTO director or the Trademark Trial and Appeal Board (TTAB) pursuant to 15 USC 1071 (b) (4). This technical amendment would change the court of jurisdiction for these cases which for many years have been brought in the U.S. District Court for the District of Columbia.

The only justification for this change in jurisdiction and venue seems to be the re-location of the USPTO offices to Alexandria, Virginia, a few years ago. This is not a sufficient justification for such a consequential change. First, a *de novo* civil action in lieu of an immediate appeal to the Federal Circuit seldom involves the USPTO as a party, so its physical location makes little difference. Even if the USPTO were frequently a party, there is only a modest increase in convenience for the USPTO litigants. More importantly, however, whatever slight convenience may be identified does not offset the reliance by trademark owners and practitioners on the case law that has been developed over many years in the current venue.

INTA believes that all parties will be served by maintaining venue in the U.S. District Court for the District of Columbia and we respectfully request that the committee not include this provision in its markup.

Fee Setting Authority: S.515 revises the authority for setting patent and trademark fees paid by intellectual property owners for processing their applications for registration. These are designed to be true *user fees*, bearing a direct relation to the cost of operating the USPTO. However, from 1992 to 2004, funds were diverted to the U.S. Treasury for use by other

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agencies. Since 2004, Congress has discontinued the practice while the intellectual property community has been vigilant in seeking to prevent its re-emergence.

This explains why the issue of setting fees is a highly sensitive topic. By reconciling the level of the fees with the costs of running the USPTO, Congress can ensure that fee diversion does not return. Further, as a matter of fiscal policy, INTA questions the wisdom of delegating greater authority to the agency and diminishing the role of the Congress and the fee-paying public. Simply notifying Congress or conferring with the Trademark or Patent Public Advisory Committees is no substitute for the control and oversight that occurs when Congress sets the fees. INTA therefore asks the committee to drop this provision from its bill.

INTA is grateful to the committee for its continued interest in the USPTO and for hearing our views on its operation.

Sincerely,

A handwritten signature in cursive script that reads "Alan C. Drewsen".

Alan C. Drewsen
Executive Director
International Trademark Association