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SENATE

REPORT
No. 301

PATENT OFFICE FEES

JUNE 8 (legislative day, JUNE 7), 1965.—Ordered to be printed

Mr. MCCLELLAN, from the Committee on the Judiciary, submitted the following

REPORT

[To accompany H.R. 4185]

The Committee on the Judiciary, to which was referred the bill (H.R. 4185) to fix the fees payable to the Patent Office, and for other purposes, having considered the same, reports favorably thereon, with amendments, and recommends that the bill as amended do pass.

AMENDMENTS

1. On page 1, line 7, strike out "$50" and in lieu thereof insert "$65".
2. On page 2, line 4, strike out "$75" and in lieu thereof insert "$100".
3. On page 2, line 13, strike out "$50" and in lieu thereof insert "$65".
4. On page 2, line 23, strike out "$25" and in lieu thereof insert "$50".
5. On page 6, line 7, following the period, add the following:
   In calculating the amount of a remaining balance, charges for a page or less may be disregarded.
6. On page 6, line 16, strike out the words "and maintenance".
7. On page 6, beginning with line 18, strike out all of section 6 through line 23 on page 9.
8. On page 10, beginning with line 1, strike out all of sections 7 and 8, and in lieu thereof insert the following:

SEC. 6. The analysis of chapter 14 of title 35, United States Code immediately preceding section 151, is amended in the

first item thereof by striking out the words "Time of issue of patent" and inserting in lieu thereof "Issue of patent".

9. On page 10, line 15, renumber "SEC. 9" as "SEC. 7", and on page 11 line 1 of said section, strike out words "sections 4, 6, and 8" and in lieu thereof insert the words "section 4".

10. On page 11, line 11, renumber "SEC. 10" as "SEC. 8".

11. On page 11, line 15, renumber "SEC. 11" as "SEC. 9".

12. On page 11, line 21, renumber "SEC. 12" as "SEC. 10".

PURPOSE OF AMENDMENTS

The principal purpose of the amendments is to delete those provisions relating to the establishment of maintenance fees, and to obtain approximately the same amount of revenue as would have been secured thereform, by making larger increases in other patent fees.

PURPOSE OF THE BILL

The purpose of H.R. 4185, as amended, is to increase the fees payable to the Patent Office so that a reasonable part of Patent Office costs may be recovered. The bill also seeks to expedite the prosecution of patent applications and thus make new technology available to the public at an earlier date.

The fees payable to the Patent Office are determined by statute and have not revised since 1932. The income of the Patent Office has declined during this period from 90 percent recovery of costs down to an estimated recovery of 28.3 percent during the present fiscal year. If the fees provided for in this bill are approved, when these fees become fully effective, the Patent Office would then be recovering approximately 74 percent of its costs.

STATEMENT

The principal Patent Office fees now in effect were established by Public Law 212, 72d Congress (47 Stat. 382), which increased the basic filing and issue fees to the present $30 figure. Since 1947 a number of bills have been introduced in the Congress to revise fees. The legislative history of Patent Office fee bills is provided in Study No. 13 of this committee's Subcommittee on Patents, Trademarks, and Copyrights.

This committee during the 2d session of the 87th Congress favorably reported (S. Rept. 2167), a Patent Office fee bill (S. 2225), but no further action was taken. During the 2d session of the 88th Congress, the other body passed H.R. 8190, a Patent Office fee bill. On February 27 and 28, 1964, hearings on this measure as well as S. 2547, introduced by Senator Thomas Dodd, were conducted by the Subcommittee on Patents, Trademarks, and Copyrights, but no further action was taken.

On March 3, 1965, the Subcommittee on Patents, Trademarks, and Copyrights held hearings on three Patent Office fee bills which had been referred to the subcommittee. These were S. 729, introduced by Senator Thomas Dodd; S. 730, introduced by Senator John L. McClellan, chairman of the subcommittee, at the request of the administration; and S. 1228, introduced by Senator Joseph Tydings,

by request. Subsequent to the public hearing, but prior to any action by the subcommittee, the other body approved H.R. 4185, which was received in the Senate on March 18, 1965, and referred to this committee. This bill, as passed by the other body, is identical to S. 730 on which hearings had been conducted.

SECTIONAL ANALYSIS

The principal provisions of H.R. 4185, as amended, are as follows:

SECTION 1. PATENT FEES

The two basic fees in patent cases are a fee payable when the application for patent is filed and a fee payable when the patent is to be issued. These now are $30 each (with a charge of $1 for each claim in excess of 20). These two feeds produce approximately 50 percent of the revenue of the Patent Office.

Item 1 of section 1 proposes to raise the filing fee from $30 to $65 with a further payment of $2 for each claim presented in excess of 10 (whether in independent or dependent form) and $10 for each independent claim presented in excess of 1. (A claim in independent form stands on its own in defining the invention, while the dependent form incorporates by reference a previous claim and adds some additional limitation.) It is estimated that this revision will increase the income received from the initial patent fee from approximately $2.6 million to $7.9 million.

The second important change in fees by section 1 (item 2) is to raise the fee required to issue a patent from $30 to $100 with an additional charge of $10 for each page of specification as printed and $2 for each sheet of drawing. It is estimated that this change will increase from approximately $1.6 million to $6.9 million the income from the issue or final fee.

Section 1 also changes the fee structure applicable to design patents. Item 3 requires a filing fee of $20 and an issue fee of $10, $20, or $30, depending upon whether the applicant wants a term of 3½, 7, or 14 years. The present design fee is a filing fee of $10, $15, or $30 depending upon the term of the patent that is wanted. One of the purposes in changing this section is to have the design fees parallel the filing and issue fees for other types of patent applications, and to avoid the present practice wherein an applicant files for a 3½-year term and, upon allowance, requests that the term be increased to 7 or 14 years, paying the balance of the fees. The increase in revenue from this change is less than $90,000 a year, but it will reduce to a reasonable extent some of the burdens of the Office and, for that matter, on the applicant himself.

For a similar reason, section 1 changes the structure of the reissue patent fees from a flat charge of $30 for filing the application to a filing fee of $65 with an additional charge of $2 and $10 for total claims over 10 and independent claims over 1 newly presented, respectively (item 4); and an issue fee of $100 plus $10 for each page of specification as printed and $2 for each sheet of drawing (item 2). There is no fee currently charged for issuing a reissue patent. Here, again, the revenue from the change is slight. There are only approximately 200 reissue applications filed each year; however, the revision will establish uniform treatment for all patent applications, whether

original or reissue. It costs as much to print the reissue patent as it does an original patent, and the cost of examining such applications, although it starts from where the previous application left off, can be and usually is substantial. Therefore, it seems reasonable for reissue applicants to pay the same fees as new applicants are required to pay.

Item 6 of section 1 changes the present $25 fee on appeal to the Board of Appeals to provide for a charge of $50 upon filing the appeal and an additional charge of $50 upon filing a brief in support of the appeal.

The purpose of the change is to increase the appeal fee so that it will be more nearly commensurate with the expense involved, and to encourage withdrawals at the earliest possible time. In many cases, after the appeal is filed, the case is reconsidered by the examiner, the claims allowed, and the appeal withdrawn. In other cases, the appellant may lose interest in the invention and abandon efforts to get his patent. In both cases, the proposed fee structure will encourage applicants to resolve the issue at an early time and withdraw the appeal, helping to relieve the Board of Appeals from its increasing backlog.

The sale of printed copies of patent specifications and drawings at 25 cents per copy at the present time provides about 18 percent of the total income of the Patent Office. This charge has been doubled by item 9 of section 1 to reflect the increased cost of reproducing the copies. In addition, the Commissioner is given authority to raise the charge to not more than $1 in the case of specifications above a certain size and for plant patents printed in color.

The final important change in section 1 pertains to the recording of assignments. At present a basic charge of approximately $3, with small surcharges for size and additional items, is made to record an assignment even though a number of applications, registrations, or patents are assigned by one instrument. The combined charges average about $3.20. Item 10 of section 1 of the bill proposes a charge of $20 for recording the assignment of a patent or application and an additional $3 for each other item included in the assignment. A substantial increase in income to the Patent Office will result from this change. One of the principal purposes in raising the fee for recording an assignment is to place more of the burden for Patent Office operations on those patents and applications which have proved to be valuable. Presumably, there would be no traffic in patents and applications which are valueless.

Items 5, 7, and 8 of section 1, deal with circumstances of relatively small occurrence and the income from which is small. Changes are made to keep them in line with other changes. The reference to certificates under section 256 in item 8 is new and, to this extent, a minor new fee is added.

SECTIONS 2 AND 8. FEES TO BE PAID BY GOVERNMENT AGENCIES

Section 2 of H.R. 4185 provides that patent fees shall apply to Government agencies; in other words, they are to pay the same fees as anybody else, except that fees for incidental or occasional requests may be waived. Section 8 makes a coordinating change.

SECTION 3. TRADEMARK FEES

Section 3 of the bill makes various changes in fees related to trademark cases. In form, the section of the Trademark Act dealing with fees is recognized so that fees which are not changed are repeated. There are three major changes in trademark fees and a few minor ones. First, the fee for filing an application to register a mark is proposed to be raised from $25 to $35; second, a fee of $10 is made payable at the time an affidavit of use if filed (at the end of 5 years); and third, the fee for recording an assignment of a trademark registration or application is increased to $20 and, where, the document related to more than one application or registration a charge of $3 for each additional item.

For the first time, a fee is made payable on the filing of a petition to receive an abandoned trademark application. And the fee for surrendering a registration has been dropped.

SECTION 4. PAYMENT OF ISSUE FEE

This section of the bill proposes a different concept in the payment of the issue fee. At present a notice of allowance is sent to the applicant. There then is a 6-month period within which the final fee must be paid, and thereafter the patent normally issues within 7 weeks. (There is also a provision for the delayed payment of the issue fee up to 1 year).

It is proposed that the 6-month period within which the applicant can prevent the patent from issuing, without effecting abandonment, shall be reduced to 3 months. The bill provides that the notice of allowance shall specify a sum, constituting the issue fee or a portion thereof, which shall be paid within 3 months thereafter. Upon payment of this sum the patent shall issue. If it is not paid the application is deemed abandoned. Any remaining balance of the fee shall be paid within 3 months after issuance, or the patent shall lapse. Within 3 months after the due date of an unpaid fee, however, the Commissioner may, on a showing of sufficient cause, accept late payment as though no abandonment of lapse had occurred.

This particular arrangement will permit the Patent Office to issue patents substantially sooner and make new technology available to the public at an earlier date. It will also enable the applicant to calculate the amount of the components of the issue fee before it is due.

At the hearings conducted by the Subcommittee on Patents, Trademarks, and Copyrights, some concern was expressed that this procedure would be burdensome both to the Patent Office and the applicant in that it would usually involve paying the issue fee in two transactions. The committee is of the view that the Patent Office should frequently be able to estimate the final issue fee including the printing charges. The bill has been amended to provide that in calculations of the remaining balance of the issue fee, charges for a page or less may be disregarded. It is estimated by the Patent Office that this amendment will eliminate all but a few percent of the second transactions. This provision will thus reduce the administrative costs and also will appreciably eliminate uncertainty regarding the possible lapse of a patent for failure to pay the remaining balance of the issue fee.

SECTION 7. TIME OF COMING INTO FORCE

Section 7 of the bill works out the time of coming into force of various provisions which need special treatment.

The new patent issue fee and issuance procedures apply to cases in which the notice of allowance was sent after the effective date of the act.

The new trademark affidavit fee is applied only to registrations issued after the effective date of the act and to certain old registrations which are brought into the condition of requiring the affidavit, after the effective date.

SECTIONS 9 AND 10. DEPENDENT FORM OF CLAIM

Sections 9 and 10 recognize the dependent form of claim and are designed to make clear that dependent claims are to be considered individually on their merits. The validity or interpretation of dependent claims does not depend upon the validity or interpretation of the claim from which they depend.

Income Results of the Bill

The results of the fees specified in the bill are based on estimates for the 1965 fiscal year. Under the present schedule of fees the income—using fiscal 1965 as a basis—is estimated at $8.9 million, which would be 28.3 percent of the appropriation for operating costs. When all the fees are fully effective, the anticipated revenue would be $23.4 million, which amounts to approximately 74 percent of the appropriation for operating costs for fiscal year 1965.

The patent filing fee at the present time accounts for approximately 32 percent of Patent Office income. The final fee accounts for approximately 16 percent, patent copy sales account for 18 percent, and trademark filing fee accounts for 8 percent. Hence, it can be seen that the two most important fees in terms of the income produced are the filing and final fees for patents.

Breaking down the operating costs of the Patent Office between the functions of patent examination and adjudication, trademark examination and adjudication, and administration and program services, the patent examination and adjudication function accounts for approximately 77.6 percent of Patent Office operating costs, the trademark examination and adjudication function for approximately 4.1 percent, and the miscellaneous costs under administration and program services for approximately 18.3 percent.

Breaking the patent examination and adjudication function down further, examining and classification account for approximately 72 percent of the total Patent Office costs, with 6 percent accounted for by the costs of the Board of Appeals, the Board of Patent Interferences, and research and development activities.

The following table based upon assumptions made by the Patent Office compares estimated fee income for fiscal 1965 under present law and under H.R. 4185.

[Dollar amounts in thousands]

Fee	Income under present fees	Income under proposed fees
Initial, patent	2,647	7,921
Issue, patent	1,633	6,930
Reissue, issue of		28
Initial, design	100	100
Issue, design		84
Initial, reissue	6	18
Disclaimer, patent	1	1
Appeal, patent filing	350	700
Appeal, patent brief		350
Petition to revive	7	11
Petition to delay	2	3
Certificate, patent	4	6
Copies, patent	1,618	3,236
Copies, trademark	34	68
Recording assignments, patents	233	1,260
Recording assignments, trademarks		96
Filing, trademark	650	910
Affidavit, trademark		[1] 120
Petition to revive, trademark		2
Certificate, trademark	2	3
Certificate correction, trademark	2	3
Disclaimer, trademark	[2]	
Fees not changed	1,611	1,611
Total	8,900	23,461
Costs of operation	31,451	31,451
Percentage of costs	28.3	74.5

[1] These fees will not be received in whole or in part for 5 years.
[2] Income less than $500.

Assumptions Providing Bases for Estimated Income From Proposed Fees in 1965

Initial filing: Original patent containing on the average 2 claims over 10 and 2 independent claims over 1; average fee $89; 89,000 applications.

Patent issue: Average issue of 3.6 pages of specifications with 2 sheets of drawings; average fee of $140; 55,000 issues less 10 percent forfeiture or 49,500 issues.

Design filing: 5,000 applications.

Design issue: 3,000 divided on a 5-, 10-, and 85-percent basis for 3½, 7, and 15 years protection.

Patent appeals: 14,000 with 7,000 withdrawn.

Patent copies: $1,618,000.

Trademark copies: $34,000.

Recording assignments: 80,000 patent items and 13,200 trademark items.

Applications for trademarks: 26,000.

Affidavits for trademarks: 12,000.

Fees not changed include, among others, fees charged for reproduction of records which are fixed administratively ($1,130,000), special service orders, and trademark renewal fees.

Improvements in Patent Office Practice

In addition to increasing the fees received by the Patent Office, another principal objective of this bill is to secure improvement in Patent Office practice and the functioning of the patent system. The bill seeks to accomplish these objectives by the following provisions:

1. Item 1 of section 1 of the bill provides for a charge of $10 for each independent claim in excess of 1 and a charge of $2 for each claim,

independent or dependent, in excess of 10. The purpose of this provision is to discourage excessive permutations and combinations of claims and to encourage use of the dependent form of claim. The Commissioner of Patents has informed the committee that even in the case of simple patents, the time saved in analysing the differences between claims is approximately 2 to 1 in favor of the dependent form of claim.

This bill does not prevent an applicant from using independent claims. It merely provides that if an applicant or his attorney decide that independent claims would better serve the invention, then additional fees should be charged to compensate the Patent Office for the undisputed additional costs involved in the examination of such applications. The reduction in the number of claims and the encouragement of the use of claims in dependent form will not only be of advantage to the Patent Office and to the public, but will assist the courts in their consideration of those claims which become involved in litigation.

2. Item 2 of section 1 of the bill provides for a charge of $2 for each sheet of drawing and $10 for each printed page of specification. The purpose of this provision is to establish a relationship between the size of the application and the amount of the issue fee. Lengthy and complex patent applications are considerably more expensive to examine and contribute disproportionately to the backlog in the Patent Office. It has been established that those divisions of the Patent Office that are concerned principally with the more complex subject matter have average disposal rates substantially below those divisions that handle less complex applications. The committee is of the view that the extra costs involved in processing lengthy and complex applications should be substantially borne by those who file such applications rather than by other patentees or the taxpayers.

3. The bill also seeks to improve the patent system by the provisions in section 4 introducing a new approach to the payment of the issue fee.

Summary of Committee's Conclusions

1. A fundamental question considered by the committee in connection with this bill is the extent to which special beneficiaries of Government programs should bear the costs of operations attributable to these special services. The Congress has had occasion to express itself on this subject previously. Title 5 of the Independent Offices Appropriation Act of 1952 established as an objective that services rendered to special beneficiaries by Federal agencies should be self-sustaining to the fullest extent possible.

The present bill provides that when all fees are fully effective, the Patent Office would recover approximately 74 percent of their costs. The committee, therefore, was not required to decide whether the Patent Office should be fully self-supporting. It is the view of the committee that the fee schedule contained in this bill provides for a reasonable percentage of Patent Office costs to be borne by those directly benefiting from Patent Office services.

2. The committee is of the view that the increases in fees provided for in this bill will not deter the inventive genius of the American people or reduce the filing of patent applications. The testimony before the Subcommittee on Patents, Trademarks, and Copyrights indicated some concern that an increase in fees would discourage the

filing of patent applications. In view of the fact that all other expenses involved in securing a patent, most notably legal fees, have considerably increased since 1932 without any reduction in the number of applications filed, the committee does not agree that the adjustment of patent fees provided in this bill will discourage invention. In fact, the experience in European countries which have increased fees, indicates that this does not have a significant effect on the number of patent applications filed.

3. The committee carefully considered whether a portion of the desired revenue should be obtained through the establishment of a system of maintenance fees. Under this procedure periodic payments would be required throughout the 17-year term of the patent to preserve the life of the patent. The Department of Commerce advocated the adoption of such a system because it would permit the patent owner to spread out the payment of fees over the life of the patent. The testimony before the Subcommittee on Patents, Trademarks, and Copyrights indicated widespread opposition to the establishment of maintenance fees. While the Department of Commerce has made significant modifications in its original maintenance fee proposal, the committee is of the view that such fees would prove cumbersome and would create uncertainty as to the current status of a patent.

The Subcommittee on Patents, Trademarks, and Copyrights of this committee, as well as the administration and the Patent Bar, are now engaged in a comprehensive review of our existing patent laws and procedures to determine what modifications are necessary in the light of present conditions. Our basic procedures are substantially unchanged from those established in the Patent Act of 1836. While these studies are in progress, the committee does not believe it desirable to institute such a basic innovation in the American patent system as maintenance fees.

4. The committee is of the view that the Patent Office should be given every assistance by applicants and their attorneys in improving Patent Office procedures and expediting the examination of patent applications. The committee, therefore, has approved those provisions of the bill which will facilitate such objectives. This will be accomplished most notably by encouraging the use of dependent claims in patent applications and by inducing applicants to prepare their applications in a concise form.

5. The committee is of the view that there is no justification for requiring trademark owners to assume the burden of bearing a portion of the patent examining deficit. While the committee believes that the increases in trademark fees proposed by the administration are reasonable, the committee could not support larger increases to help meet the patent deficit.

6. The committee has given particular consideration to the question of whether Government departments and agencies should pay fees, and if such fees are to be required, whether they should be at a reduced rate. It is the view of the committee that the Government should pay the same fees as private patentees. To permit Government departments to pay lower fees would, to an extent, defeat the objective of having patent costs included in the budgets of the departments involved rather than borne by the Patent Office. As the Bureau of the Budget indicated in a letter to Senator John L. McClellan,

chairman of the Subcommittee on Patents, Trademarks, and Copyrights:

> We are similarly concerned that services which are provided for Federal agencies as a result of their requests will be shown as actual costs of the operation of those agencies. It is our belief that the budget requests of the individual agencies, as presented to the Congress in the executive budget, should in fact present the complete picture of the fiscal plan of that agency.

The applications filed by Government departments and agencies consume examining time and require patent services just as those filed by individuals and corporations.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no changes is proposed is shown in roman):

TITLE 35, UNITED STATES CODE

* * * * * * *

§ 41. Patent fees.

(a) The Commissioner shall charge the following fees:

1. On filing each application for an original patent, except in design cases, [$30, and $1 for each claim in excess of twenty] *$65; in addition, on filing or on presentation at any other time, $10 for each claim in independent form which is in excess of one, and $2 for each claim (whether independent or dependent) which is in excess of ten. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.*

2. [On] *For* issuing each original *or reissue* patent, except in design cases, [$30, and $1 for each claim in excess of twenty] *$100; in addition $10 for each page (or portion thereof) of specification as printed, and $2 for each sheet of drawing.*

3. In design cases:

a. On filing each design application, $20.

b. On issuing each design patent: For three years and six months, $10; for seven years, [$15] *$20; and* for fourteen years, $30.

4. On [every] *filing each* application for the reissue of a patent, [$30 and $1 for each claim in excess of twenty over and above the number of claims of the original patent] *$65; in addition, on filing or on presentation at any other time, $10 for each claim in independent form which is in excess of the number of independent claims of the original patent, and $2 for each claim (whether independent or dependent) when is in excess of ten and also in excess of the number of claims of the original patent. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.*

5. On filing each disclaimer, [$10] *$15.*

6. On [an] appeal for the first time from the examiner to the Board of Appeals, *$50; in addition, on filing a brief in support of the appeal, $50.*

7. On filing each petition for the revival of an abandoned application for a patent or for the delayed payment of the fee for issuing each patent, [$10] *$15.*

8. For certificate [of correction of applicant's mistake] under section 255 *or under section 256* of this title, [$10] *$15.*

9. *As available and if in print:* For uncertified printed copies of specifications and drawings of patents (except design patents), [25] *50* cents per copy; for design patents, [10] *20* cents per copy; *the Commissioner may establish a charge not to exceed $1 per copy for patents in excess of twenty-five pages of drawings and specifications and for plant patents printed in color;* special rates for libraries specified in section 13 of this title, $50 for patents issued in one year. *The Commissioner may, without charge, provide applicants with copies of specifications and drawings of patents when referred to in a notice under section 132.*

10. For recording every assignment, agreement, or other paper *relating to the property in a patent or application, $20; where the document relates to more than one patent or application, $3 for each additional item.* [not exceeding six pages, $3; for each additional two pages or less, $1; for each additional patent or application included in one writing, where more than one is so included, 50 cents additional.]

11. For each certificate, $1.

(b) The Commissioner may establish charges for copies of records, publications, or services furnished by the Patent Office, not specified above.

(c) The fees prescribed by or under this section shall apply to any other Government department or agency, or officer thereof, except that the Commissioner may waive the payment of any fee for services or materials in cases of occasional or incidental requests by a Government department or agency, or officer thereof.

ANALYSIS OF CHAPTER 14 OF TITLE 35, UNITED STATES CODE, IMMEDIATELY PRECEDING SECTION 151

Sec.
151. [Time of issue of patent.] *Issue of patent.*
152. Issue of patent to assignee.
153. How issued.
154. Contents and term of patent.

§ 151. [Time of issue of patent.] *Issue of patent.*

[The patent shall issue within three months from the date of the payment of the final fee, which shall be paid not later than six months after written notice to the applicant of allowance of the application but the Commissioner may accept the final fee if paid within one year after the six month period for payment, and the patent shall issue.]

If it appears that applicant is entitled to a patent under the law, a written notice of allowance of the application shall be given or mailed to the applicant. The notice shall specify a sum, constituting the issue fee or a portion thereof, which shall be paid within three months thereafter.

Upon payment of this sum the patent shall issue, but if payment is not timely made, the application shall be regarded as abandoned.

Any remaining balance of the issue fee shall be paid within three months from the sending of a notice thereof and, if not paid, the patent shall lapse at the termination of this three-month period. In calculating the amount of a remaining balance, charges for a page or less may be disregarded.

If any payment required by this section is not timely made, but is submitted with the fee for delayed payment within three months after the due date and sufficient cause is shown for the late payment, it may be accepted by the Commissioner as though no abandonment or lapse had ever occurred.

* * * * * * *

§ 154. Contents and term of patent

Every patent shall contain a short title of the invention and a grant to the patentee, his heirs or assigns, for the term of seventeen years, *subject to the payment of issue fee as provided for in this title*, of the right to exclude others from making, using, or selling the invention throughout the United States, referring to the specification for the particulars thereof. A copy of the specification and drawings shall be annexed to the patent and be a part thereof.

* * * * * * *

ACT OF JULY 5, 1946 (CH. 540, 60 STAT. 427; 15 U.S.C. SEC. 1113), AS AMENDED

§ 31. Fees and charges

(*a*) The following fees shall be paid to the Patent Office under this Act:

1. On filing each original application for registration of a mark in each class [on either the principal or the supplemental register, $25;], *$35.*

2. On filing each application for renewal in each class, $25; and on filing each application for renewal in each class after expiration of the registration, an additional fee of $5[;].

3. On filing an affidavit under section 8(a) or section 8(b) for each class, $10. [on filing notice of claim of benefits of this Act for a mark to be published under section 12(c) hereof, $10;]

4. On filing each petition for the revival of an abandoned application, $15. [;]

5. On filing [notice of] opposition or application for cancellation *for each class,* $25. [;]

6. On appeal from [an] *the* examiner in charge of the registration of marks *to the Trademark Trial and Appeal Board for each class* $25. [;]

7. For issuance of a new certificate of registration following change of ownership of a mark or correction of a registrant's mistake, [$10;] *$15.*

8. For certificate of correction of registrant's mistake *or amendment after registration,* [$10;] *$15.*

9. [for manuscript copies, for every one hundred words or fraction thereof, 10 cents; for comparing other copies, 5 cents for every one hundred words or fraction thereof;] For certifying in any case, [additional,] $1. [; for each additional registration or application which may be included under a single certificate, 50 cents additional;]

10. For filing *each* disclaimer[, amendment, surrender, or cancellation] after registration, [$10;] *$15.*

[For abstracts of title: For the search, one hour or less, and certificate, $3; each additional hour or fraction thereof, $1.50; for each brief from the digest of assignments of two hundred words or less, $1.]

[For certificate that trademark has not been registered—search and certificate (for deposit in foreign countries only), $3.]

[For title reports required for office use, $1.]

[For a single printed copy of statement and drawing, 10 cents; if certified, for the grant, additional, $1; for the certificate, $1; if renewed, for copy of certificate of renewal, additional, $1.]

[For photographic copies of records and drawings, the reasonable cost of making them.]

11. For printed copy of registered mark, 20 cents.

12. For recording every assignment, *agreement,* or other paper [not exceeding six pages, $3] *relating to the property in a registration or application, $20;* [for each additional two pages or less, $1; for each additional registration or application included, or involved in one writing where more than one is so included or involved, additional, 50 cents] *where the document relates to more than one application or registration, $3 for each additional item.*

13. On filing notice of claim of benefits of this Act for a mark to be published under section 12(c) hereof, $10 [;].

(b) The Commissioner may establish charges for copies of records, publications, or services furnished by the Patent Office, not specified above.

(c) The Commissioner [shall] *may* refund [fees] *any sum* paid by mistake or in excess.

Analysis of Chapter 27 of Title 35, United States Code, Immediately Preceding Section 266

Sec.

[266. Issue of patents without fees to Government employees.]

267. Time for taking action in Government applications.

[§ 266. Issue of patents without fees to Government employees.

The Commissioner may grant, subject to the provisions of this title, to any officer, enlisted man, or employee of the Government, except officers and employees of the Patent Office, a patent without the payment of fees, when the head of a department or agency certifies the invention is used or likely to be used in the public interest and the applicant in his application states that the invention described therein, if patented, may be manufactured and used by or for the Government for governmental purposes without the payment to him of any royalty thereon, which stipulation shall be included in the patent.]

Section 112 of Title 35, United States Code

§ 112. Specification.

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention. *A claim may be written in independent or dependent form, and if in dependent form, it shall be construed to include all the limitations of the claim incorporated by reference into the dependent claim.*

An element in a claim for a combination may be expressed as a means or step for performing a specfied function without the recital

of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

SECTION 282 OF TITLE 35, UNITED STATES CODE

§ 282. Presumption of validity; defenses

[A patent shall be presumed valid. The burden of establishing invalidity of a patent shall rest on a party asserting it.] *A patent shall be presumed valid. Each claim of a patent (whether in independent or dependent form) shall be presumed valid independently of the validity of other claims; dependent claims shall be presumed valid even though dependent upon an invalid claim. The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting it.*

The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:

(1) Noninfringement, absence of liability for infringement, or unenforceability,

(2) Invalidity of the patent or any claim in suit on any ground specified in part II of this title as a condition for patentability,

(3) Invalidity of the patent or any claim in suit for failure to comply with any requirement of sections 112 or 251 of this title,

(4) Any other fact or act made a defense by this title.

In actions involving the validity or infringement of a patent the party asserting invalidity or noninfringement shall give notice in the pleadings or otherwise in writing to the adverse party at least thirty days before the trial, of the country, number, date, and name of the patentee of any patent, the title, date, and page numbers of any publication to be relied upon as anticipation of the patent in suit or, except in actions in the United States Court of Claims, as showing the state of the art, and the name and address of any person who may be relied upon as the prior inventor or as having prior knowledge of or as having previously used or offered for sale the invention of the patent in suit. In the absence of such notice proof of the said matters may not be made at the trial except on such terms as the court requires.

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