Questions for the Record from Representative Cline for Director Squires

"Oversight of the U.S. Patent and Trademark Office"

March 25, 2026

For Director Squires

I. Under the Patent and Trademark Office Acquisition Guidelines (PTAG), the USPTO often uses selective bidding favoring legacy contractors. What policies ensure new, innovative vendors have a fair opportunity to compete?

II. Small businesses have historically faced challenges in USPTO procurement as evidenced by past GAO reports. How does the USPTO plan to review PTAG procedures and ensure a system that allows new innovative contractors to provide support for USPTO operations?

III. The USPTO's existing IT contractors have repeatedly failed to deliver tools meeting patent examination needs. Specifically, how will the USPTO address these shortcomings?

IV. What are the current system complaints affecting examiner performance?

V. Does the USPTO's antiquated IT infrastructure have sufficient bandwidth to adopt AI-driven search and examination tools while still providing public and patent examiners with access to current legacy systems necessary to file and examine patent applications?

VI. Given the evolving international IP landscape, what policies are being considered to strengthen protection for U.S. inventors in domestic and global markets? AND what does the USPTO plan to do about these threats?

VII. From the USPTO's perspective, what are the current threats posed by China and other foreign actors to U.S. intellectual property rights?

VIII. Why has the USPTO cut the amount of time for patent examiners to spend examining PPH applications? What percentage of PPH applications originate in China? Provide a list of Chinese originating PPH applications filed by watchlisted entities, along with their outcome- pendency and allowances rates.

IX. With first office action pendency at 22.2 months and final disposal at 32.7 months—while innovations are typically commercially useful for ~42 months—what is USPTO's target for final disposition, and what would be an ideal goal to maximize utility for inventors?

X. While USPTO statistics show first action pendency at 22.2 months, this number includes a large number (~25%) of expedited patent applications. What is the average pendency for receiving a first office action in an unexpedited patent application?

XI. First action pendency varies greatly by technology center from 18.7 months in mechanical and business methods group Tech Center 3600 to 26.9 months in TC1600, where pharmaceutical and biotech patents are examined. Why is the USPTO permitting longest pendency delays in the tech area where patent term adjustments can push back generic medicines and drive up the costs of America's prescription drugs? Right now, on average, every drug patent is issued on average with 12 - plus months extra patent term. What steps are the USPTO taking to reduce pendency in this Tech Center?

XII. You have issued a number of memoranda describing the factors you will consider when making discretionary denials of institution decisions. However, your actual decisions generally are issued as summary denials with no explanation. This deprives parties of key insight into how you are applying and weighing the different factors. Will you

commit to providing written explanations of your discretionary denial decisions moving forward?

XIII. Because pre-grant publications are relied upon by researchers, examiners, and the global patent community, will the USPTO commit to publicly reporting performance metrics—such as error rates, correction rates, and timeliness of publication—so Congress and stakeholders can evaluate whether the new in-house system is delivering the promised improvements in accuracy and data integrity?

XIV. Some observers have suggested that changes in how foreign priority applications are handled for pre-grant publication may be contributing to a decline in the number of published applications. Has the USPTO analyzed whether procedural or system changes—such as the treatment of foreign priority claims or the move to the 3P publication system—are affecting publication volume or timing, and what impact that might have on the public notice function of pre-grant publication?

XV. The USPTO recently issued a Request for Information regarding new tools to support patent examiners. Can you update the Committee on what you've learned from that RFI, particularly regarding the potential role of artificial intelligence in prior art searching and examination? How is the Office evaluating whether AI tools can improve examiner productivity while maintaining examination quality?

XVI. For the record, can the USPTO provide a breakdown of the system spending reductions it has referenced? Specifically, do the reductions involve scaling back subscriptions or third-party tools, what specific products or services have been reduced or eliminated, and how is the Office ensuring that examiners still have access to the data and search capabilities they need to conduct thorough prior art reviews?

XVII. Last year the USPTO set specific targets for examiner expansion and reducing the overall application backlog. Can you provide an update on how the Office performed against its 2025 goals, and what metrics you are using to measure progress?

XVIII. How many of the patents on which you have denied institution of IPR petitions on the basis of settled expectations are now being litigated in federal district court?

XIX. Why do you think federal district court litigation is a better way to resolve the validity of those patents than the process Congress created by the America Invents Act?

XX. Do you think that it falls within the scope of the America Invents Act to consider the strain that your discretionary decisions may place on scarce judicial resources? Have you considered that?

Questions for the Record from Representative Massie for Director Squires

"Oversight of the U.S. Patent and Trademark Office"

March 25, 2026

1. You testified that you are willing to discuss legislation like the bipartisan RESTORE Patent Rights Act to rebalance judicial assessments of injunctions, which would be consistent with the joint statements of interest the USPTO has filed with the Justice Department's Antitrust Division expressing support for injunctive relief in several ongoing patent infringement cases. As you know, the RESTORE Patent Rights Act would ensure that when a court finds a patent valid and infringed, there is a rebuttable presumption that the court will issue a permanent injunction against infringement of the patent. This simple, one-sentence bill would protect the core of patent rights—the right to exclude others from making, using, selling, or importing a patented invention without the permission of the patent holder.
   - Can you elaborate on why money damages are not adequate when a court finds an inventor's patent valid and infringed?
   - How would legislation to clarify the availability of injunctions as a remedy for patent infringement help encourage patenting and American innovation?
   - Do you agree that the RESTORE Act would clarify the standard for injunctive relief in patent cases, offering stability and predictability for patentholders and much-needed guidance to the courts?

2. [*For Director Squires*] We're seeing a series of developments in China and Europe that weaponize legal and regulatory processes to devalue patent rights and disadvantage U.S. inventors and patent holders. By weakening the enforcement of patent rights, these actions threaten American innovation leadership, economic competitiveness, and national security. Specifically, courts in China, the United Kingdom, and the European Union are also asserting the power to set global royalty rates for patent portfolios, including standard essential patents, without the consent of the patent owner to either the court's jurisdiction

or to global rate-setting. Recent legislative and regulatory proposals in the UK and the EU would impose government-set royalty rates for patents in areas critical to the United States' technological advantage, including critical standardized technologies like 5G and 6G.

- How do these foreign regulatory developments undermine U.S. patent rights and the market-based American innovation economy?
- Do you agree that global rate-setting for U.S. patents undermines U.S. competitiveness and bolsters China's strategy to weaken U.S. innovation leadership?

3. [*For Director Squires*] As I mentioned in the hearing, I believe elections matter, and policies can and should change from one presidential administration to the next—but laws should not change, and issued patents should remain valid.
   - Can Congress help to strengthen predictability for patentholders across administrations by codifying reforms to the IPR process, such as those proposed in the PTAB NPRM?

Questions for the Record from Representative Lofgren for Director Squires

"Oversight of the U.S. Patent and Trademark Office"

March 25, 2026

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1. At the March 25, 2026, oversight hearing before the House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet, you answered "maybe" when asked whether you intend to continue the current policy under which the Director, rather than a three-member PTAB panel, makes institution decisions in IPR and PGR proceedings.
    - Please explain what factors you are considering in this decision and when you expect to make a final determination.

2. On October 17, 2025, you announced that you would begin personally making all institution decisions, and that process was implemented shortly thereafter. Since then, you have issued hundreds of decisions, the vast majority consisting of one- or two-page orders that list dozens of cases by disposition category—most often discretionary denials. You testified that you believed that this practice is consistent with fairness and transparency because there is a body of prior decisions that provide guidance and because the Office issues opinions where it believes "something needs to be said" or "a particular story needs to be told." Please answer the following:
    - How does the current practice of issuing abbreviated or unexplained denials comply with 5 U.S.C. § 555(e), which requires a statement of the grounds for denial of a written application or petition?
        - Please identify where, if anywhere, the Office records the reasoning supporting a summary denial of institution, including any analysis of discretionary considerations, merits, or non-discretionary considerations.
        - What steps does the Office take to ensure that these decisions are based on consistent and permissible criteria, given the absence of articulated reasoning?
        - In the absence of written explanations, how can the public evaluate whether the Office is applying its policies in a reasoned and non-arbitrary manner?
    - In the past, detailed institution decisions helped parties assess whether to seek rehearing and provided insight into how the Board viewed the merits of a case. In the absence of articulated reasoning, how can parties or the public assess whether similarly situated cases are being treated consistently?
    - You testified that there is a body of more than 600 decisions providing guidance. Please identify these "600 decisions" that you believe supply the reasoning omitted from summary denials.

    - Please describe the form of these "600 decisions" and whether it is available to the parties or the public.
    - Explain how parties and the public are expected to determine which of those authorities governed a particular denial.
    - How are parties expected to evaluate or respond to decisions when the basis for those decisions is not explained?
- Please state the criteria the Office uses to determine when an institution decision will be accompanied by a reasoned written opinion rather than a summary notice, including who makes that determination.
    - Approximately how much time do you spend, on average, on each institution decision under the current process?
    - Please provide, for the period beginning October 20, 2025, to Today, the number of institution decisions issued as summary notices and the number issued as reasoned written opinions, broken out separately for IPR and PGR proceedings.
- Please explain how the Office's current use of summary denials is consistent with the PTAB's Standard Operating Procedure, which states that "[s]ignificant writing assignments in AIA proceedings include decisions on institution" under 35 U.S.C. §§ 314 and 324.

3. Title 37 of the Code of Federal Regulations provides that institution decisions are made by PTAB panels, typically consisting of three administrative patent judges.
    - How does the current practice – where the Director personally makes institution decisions – comply with the existing framework set forth in the Code of Federal Regulations? GAO and Regulatory Framework?
    - In December 2022, the Government Accountability Office found that PTAB adjudication raised concerns regarding independence from management and recommended that the USPTO clarify the respective roles of the Director and the Board through rulemaking.
    - The USPTO subsequently adopted regulations intended to ensure that PTAB panels issue decisions independently, with the Director serving a review function. How does the current practice – where the Director personally decides institution in hundreds of cases – fit within the regulations that were added in response to the GAO report? (37 CFR §§ 42.75, 43.1-6)
    - Has the Office evaluated whether this approach is consistent with its prior representations to GAO and the public?
    - Has the Office provided any updates to GAO regarding these changes?

4. Under the USPTO's "settled expectations" doctrine, the USPTO will generally not institute an IPR if a patent is over six years old, and the USPTO has also invited patentees to make

arguments as to why they have "settled expectations" that even younger patents won't be challenged. Settled expectations is a far greater change than anything proposed in the agency's 2023 ANPRM, which most Members of this Subcommittee thought was encroaching on Congress's role. Congress created IPRs as a more robust alternative to inter partes reexamination, which did not include a "settled expectations" limitation. Please answer the following questions:

- Do you believe the "settled expectations" doctrine is consistent with Congress's intent in enacting the AIA? If so, how?
- Congress created IPRs as a more robust alternative to inter partes reexamination, which did not include a "settled expectations" limitation.
- Do you believe the "settled expectations" doctrine is consistent with Congress's intent in enacting the AIA? If so, how?
- The term "settled expectations" typically refers to reliance interests that developed over time. But before this doctrine was introduced, patent owners had no reason to expect that older patents would be insulated from IPR review, while petitioners had every reason – based on years of PTAB practice – to expect that such patents would be reviewable. How does the Office justify using the term "settled expectations" to describe a doctrine that creates new expectations rather than protecting settled ones?
    - What problem is the "settled expectations" doctrine intended to solve?
    - If the justification for "settled expectations" is that patent owners should have "quiet title" after a certain period of time, how do you reconcile that with the continued availability of district court challenges and ex parte reexamination for older patents?
- 35 U.S.C. § 316(b) requires the Office to consider the economic impact of its regulatory decisions. Although "settled expectations" was not adopted through rulemaking, and does not appear in any proposed rule, it has significant system-wide effects.
    - What empirical or economic analysis did the Office conduct before adopting this doctrine?
    - What evidence supports the conclusion that this policy improves innovation, competition, or patent quality? Distributional Effects and Fairness?
- Does the Office have any data or analysis regarding which types of patent owners benefit most from the "settled expectations" doctrine – for example, operating companies versus entities that acquire patents on the secondary market?
    - Does the Office consider it appropriate if this doctrine has the practical effect of shielding patents held primarily for monetization or licensing, rather than to support products or technological development?
    - Was any consideration given to tailoring the doctrine – for example, excluding second-hand patents purchased before the doctrine was created – rather than applying it categorically?

    - If evidence shows that "settled expectations" has contributed to increased litigation by foreign-owned non-practicing entities against U.S. operating companies, would you reconsider the doctrine?

5. You have emphasized the importance of improving patent quality, which suggests an acknowledgment that some patents issued by the Office may not meet the statutory standards for patentability. Congress created IPRs as a central mechanism for reassessing patent validity in light of the best available prior art. As a result, IPRs play a significant role in ensuring the quality of issued patents. Please answer the following questions:
    - Do you regard IPRs as an important tool for policing patent quality? If so, how should Congress reconcile that view with recent policies that make it more difficult to obtain IPR review?
    - Is the Office concerned that limiting access to IPRs may allow patents that are invalid in light of prior art to remain in force?
    - How do the various ways that you've limited access to IPRs advance the goal of improving patent quality?
    - Is there a tension between the Office's stated goal of improving patent quality and policies that reduce the availability of IPR review?

6. During the transition period before your confirmation, several senior USPTO officials – including the PTAB Chief Judge, Deputy Chief Judge, and Solicitor – were removed from their positions, and many of those individuals subsequently left the agency. Additional departures have included the Deputy Solicitor, two Vice Chief Judges, more than 40 administrative patent judges, and, it appears, the entire Chief Economist's Office. Public reporting indicates that the PTAB had approximately 225–230 administrative patent judges at the beginning of 2025, and that the number has now declined to roughly 180 – a reduction on the order of 20–25%.
    - Were you consulted regarding these personnel changes before they were implemented?
    - When you assumed office, what steps did you take to evaluate the leadership structure and determine whether changes were warranted?
    - Do you have plans to replace the 40-plus administrative patent judges who have left?
    - If a court ultimately decides that your discretionary denial practices exceed your discretion, or a subsequent Director decides to reverse your policies, does the PTAB still have the capacity to handle that workload?
        - If not, is that fair to your successor, who may have a different view of the AIA's purpose?

7. The USPTO has historically maintained a Chief Economist's Office to support data-driven policymaking, including analysis of the economic impact of patent policies. It is my

understanding that, around October 2025, personnel associated with that office were separated or reassigned, that the Chief Economist departed the agency by December, and that the Office no longer maintains a visible public presence. At the same time, many of the policies we've discussed – such as "settled expectations," the "one-and-done" rule, and other discretionary denial practices – purport to rely on economic considerations under 35 U.S.C. § 316(b).

- What is the current status of the Chief Economist's Office?
- Does the USPTO currently have an internal capability to conduct independent economic analysis of its policies?
- If that capability has been reduced or eliminated, who is performing that function?
- What economic analysis, if any, supported the recent discretionary denial policies and proposed rules we've discussed?
- How can the Office satisfy its obligation under § 316(b) to consider the economic impact of its actions without a dedicated economic team?

8. Congress established the Patent Public Advisory Committee (PPAC) and the Trademark Public Advisory Committee (TPAC) to provide independent, structured input on USPTO policies, operations, and performance. These committees are required by statute to have nine members each, meet regularly, and issue annual reports to Congress. Members serve staggered terms to ensure institutional continuity. Yet, in March 2025, all nine members of the PPAC were dismissed, reportedly by the Secretary of Commerce.
    - What is the current membership of PPAC and TPAC?
    - Is it correct that both committees are currently operating with significantly fewer than the statutorily required number of members?
    - Have the committees held all required meetings and issued their required annual reports?
    - How does the Office justify operating these committees in a state that appears to fall short of statutory requirements?
        - When does the Office expect to restore full compliance with the statutory structure Congress established?
    - When filling these positions, how will the Office ensure that appointments reflect a balanced and representative set of stakeholders, consistent with Congress's intent?
        - What safeguards are in place to ensure that advisory committee members are able to provide independent perspectives, including views that may differ from current USPTO policies?

9. In the absence of fully functioning advisory committees, how is the Office ensuring meaningful public input into major policy decisions affecting the patent system?

- Is the Office concerned that recent policy changes may have been implemented without the level of stakeholder engagement Congress intended these committees to provide?
- Do you believe the advisory committees established by Congress are currently fulfilling their intended role in informing USPTO policy?

10. At your confirmation hearing and in response to QFRs, you stated that you last represented Fortress Investment Group in 2017 and that you have had no financial or other arrangements with the firm since that time. It has been reported that individuals affiliated with Fortress, including its Global Head of Intellectual Property, may have attended events associated with your swearing-in. Can you describe the nature and frequency of any communications you have had with individuals affiliated with Fortress Investment Group since assuming your role as Director?
    - Have you had any discussions with such individuals regarding patent policy, PTAB practices, or specific categories of cases?
    - What steps have you taken to ensure that your prior professional relationships do not create either actual conflicts of interest or the appearance of such conflicts in your decision-making as Director?

Questions for the Record from Representative Neguse for Director Squires

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1. When the USPTO relies on a *Sotera* stipulation to institute *inter partes* review, what consequence exists if that stipulation is later violated? And, if no such consequence exists, has the USPTO considered adopting rules or regulations regarding the same?

2. Has President Donald Trump, Secretary of Commerce Howard Lutnick, or any of their designees: (1) asked the USPTO for specific information regarding any cases, matters, or applications concerning parties represented by any law firms that were the subject of Executive Orders issued by President Trump; or (2) interfered in any way, or requested specific agency action from, the USPTO regarding any cases, matters, or applications concerning parties represented by any law firms that were the subject of Executive Orders issued by President Trump? These include, but are not limited to, Executive Orders 14230, 14237, 14246, 14250, and 14263.

Questions for the Record from Ranking Member Johnson for Director Squires

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1. We in Congress are committed to ensuring the efficient functioning of our government on behalf of the American people. And we have long relied on the U.S. Government Accountability Office (GAO) to help us in carrying out our oversight responsibilities. To this end, Congress has given GAO broad statutory authority to assist the Congress in fulfilling its oversight functions. That is why it is so concerning that the U.S. Patent and Trademark Office (USPTO) is declining to participate in engagements with GAO on work that GAO initiated after receiving a request from a ranking member.
    - Why is the USPTO refusing to cooperate with GAO on such engagements?
    - What accounts for this dramatic change in position since GAO has been doing such work for decades?
    - Doesn't the USPTO recognize the important role that ranking members play in Congress's constitutional oversight function?
    - Given GAO's significance to the Congress, can you commit to ensuring that your office will cooperate on such engagements going forward?

2. It is critical for Congress and the public to understand the essential role patents play in driving U.S. global technology leadership and economic growth. For example, from 2016 to 2022, the USPTO Office of the Chief Economist produced three editions of an extensive study on "Intellectual Property and the U.S. Economy," showing that Intellectual Property (IP)-intensive industries account for 41% of U.S. economic activity and support 63 million jobs—44% of all U.S. employment. These findings show just how important patents are to the U.S. economy and job creation. Unfortunately, we understand that the USPTO does not currently have a Chief Economist, and most, if not all, of the staff in that office have been let go, depriving Congress, the public, and the USPTO itself of critical data and analysis about the impact of inventing and patenting.
    - Does the USPTO plan to release an updated version of its "Intellectual Property and the U.S. Economy" report?
    - How does the USPTO plan to analyze data and publish important data about the impact of its work without a dedicated Chief Economist or staff?

3. You noted that the USPTO is using artificial intelligence (AI) tools to assist in conducting prior art searches. While I support the use of modern technologies, including AI, to assist the USPTO in its mission, I am concerned about the potential for conflicts of interest and bias in the use of these technologies. Even if patent applicants can see the prior art identified by the AI before the first office action, transparency about the process is critical.
    - Please identify which companies or individuals developed the AI model or models used in the USPTO's AI systems for prior art searches.
    - What safeguards are in place to prevent conflicts of interest or bias involving applications filed by the company that developed the AI system the USPTO uses?

- What independent testing has the USPTO conducted to ensure that AI-assisted examination does not disproportionately impact certain industries or technologies?
- What has the USPTO done to prevent the parties who developed or house the USPTO's AI models and its data from using that knowledge for its own advantage?
- Does the USPTO plan to share how the AI models it uses were created and trained?
- What protocols are in place to monitor the AI model on an ongoing basis to ensure it is not favoring or disfavoring certain technologies or certain types of patents?
- Does the USPTO employ the same AI model for all technology categories and types of patents it encounters, and if so, how does the USPTO ensure the model functions equally well across these different landscapes?
- How does the USPTO's use of AI improve the speed and accuracy of the patent application and review process, and what future plans does the USPTO have to continue utilizing AI to its fullest potential to improve the patent system?
- How do the AI tools provided to applicants and examiners differ, and what is the USPTO doing to ensure these separate AI models do not hinder the smooth operation of the patent prosecution process?

4. Right now, if an inventor discovers a new product or technology, earns a patent, and then someone starts infringing the patent, it is almost impossible for the inventor to get a court order to make the infringer stop. Most often, due to the Supreme Court's misguided *eBay* decision, injunctive relief is unavailable for patent infringement. The RESTORE Patent Rights Act [led by Representatives Nathaniel Moran (R-TX) and Madeleine Dean (D-PA)], which I cosponsor, would establish a rebuttable presumption for injunctive relief in patent infringement cases. This would ensure that, where appropriate, patent holders can exercise their constitutional right to exclude others from using their patent, and inventors would have greater motivation to discover new technologies.
    - Do you agree that injunctions are an important remedy that should be available to patent holders? How has the USPTO expressed its support for access to injunctive relief?
    - Do you agree that the RESTORE Act would clarify the standard for injunctive relief in patent cases, offering stability and predictability for patentholders and much-needed guidance to the courts?

5. Commerce Secretary Howard Lutnick recently ruled out a valuation-based tax on patents and you reiterated that position during the hearing. But neither of your statements addressed other ways patents could be used as a revenue source—such as new fees, assessments, or revenue-sharing mechanisms unrelated to the USPTO's operating costs.
    - Is the Department considering *any* proposal that would generate federal revenue from patents beyond cost recovery for the USPTO?

6. According to the Commerce Department's Inspector General, USPTO examiners spend an average of only 20 hours reviewing each patent application—with just eight hours on prior art searching. There are concerns this is simply not enough time to catch every error—particularly for the most advanced emerging technologies that are the subject of many patent applications today. Your office has taken steps to further incentivize shorter review periods.

Will you commit to extending review time when needed to properly evaluate patent applications?

7. The patent system is core to encouraging and protecting American innovation, and security of the USPTO's AI models and corresponding data is of utmost importance. I am especially worried that a foreign actor, like China, could use knowledge of the AI models to manipulate the system in favor of its own patents, or tamper with the models' training and data to deteriorate the quality of U.S. patents, prevent the issuing of quality patents, or to preempt U.S. innovation. What steps has the USPTO taken to ensure foreign actors cannot abuse the AI employed by the USPTO?

8. Last week the Partnership for Public Service published the results of a government-wide survey of federal employees' viewpoints about the agencies in which they work—and the results for the USPTO are embarrassing. Only 13.8% of the USPTO's employees were satisfied with their job, and only 6.7% would recommend the USPTO as a good place to work. Only 3.1% say that the agency's political leadership generates high levels of motivation and, although 84.6% of employees trust their supervisor, only 2.6% say they trust the political leadership of the USPTO. 65.6% report that the quality of services the USPTO is delivering is worse than this time last year, and 69% say that the fulfillment of stakeholder needs is worse than a year ago.
    - The USPTO's ability to reduce pendency depends on motivating and retaining its 9,000-member patent examining corps. How can you possibly do that with this level of dissatisfaction with your leadership?
    - How many patent examiners were working for the USPTO on January 21, 2025? How many patent examiners are working for the USPTO as on April 14, 2026?

9. Late last year the GAO issued a report linking questionable patent quality to, among other factors, limits on the amount of time that examiners are allocated to examine applications imposed by the USPTO in the form of production goals. Examiners reported to the GAO that they are often unable to complete a thorough search of prior art due to time constraints, and that these time pressures are increasing as the body of scientific literature and prior art that needs to be searched grows and as applications and the technology contained therein become more complex. The USPTO has also now mandated the use of an AI tool, Similarity Search, which, examiners uniformly report, is barely able to retrieve art from the same patent family and an unnecessary time-consuming additional step in the prior art search process.

   But on October 1, 2025, USPTO implemented wide-ranging changes in its performance appraisal plans for patent examiners that reduced the amount of examination time by 5.26% for most examiners by raising the level of production that examiners would be required to meet to be rated as "fully successful." Patent examiners at the GS-15 level also had their "expectancy," or the time allocated to any given examination, increased by an additional 7.4%—moving their goalpost twice.

   This push for greater production at the expense of quality began last March when USPTO cancelled ongoing career training conducted on duty time, including a bank of 25 hours that each examiner was accorded annually for continuing training.

- Why have you decided to sacrifice patent quality for reducing pendency? What good is a more quickly granted patent if it is susceptible to challenge? Won't the increased time pressures on examiners result in greater attrition, which will undermine your efforts to reduce pendency?

- During our hearing, you told the Committee that the USPTO was adding awards programs to boost morale. But we've heard the USPTO is, in fact, cancelling awards, including the termination of one award program for employees in the Chief Financial Officer's (CFO's) Office and another terminating the docket management award (a/k/a/ Pendency Reduction Award) for examiners. How do you account for this discrepancy?

10. Because pre-grant publications are relied upon by researchers, examiners, and the global patent community, will the USPTO commit to publicly reporting performance metrics—such as error rates, correction rates, and timeliness of publication—so Congress and stakeholders can evaluate whether the new in-house system is delivering the promised improvements in accuracy and data integrity?

11. Some observers have suggested that changes in how foreign priority applications are handled for pre-grant publication may be contributing to a decline in the number of published applications. Has the USPTO analyzed whether procedural or system changes—such as the treatment of foreign priority claims or the move to the 3P publication system—are affecting publication volume or timing, and what impact that might have on the public notice function of pre-grant publication?
    - USPTO recently issued a Request for Information (RFI) regarding new tools to support patent examiners. Can you update the Committee on what you've learned from that RFI, particularly regarding the potential role of artificial intelligence in prior art searching and examination? How is the Office evaluating whether AI tools can improve examiner productivity while maintaining examination quality?
    - As the USPTO reduces system spending, how is the Office ensuring that examiners continue to have access to the best available tools and data sources needed to conduct high-quality examinations?
    - Can the USPTO provide a breakdown of the system spending reductions it has referenced? Specifically, do the reductions involve scaling back subscriptions or third-party tools, what specific products or services have been reduced or eliminated, and how is the Office ensuring that examiners still have access to the data and search capabilities they need to conduct thorough prior art reviews?
    - Last year the USPTO set specific targets for examiner expansion and reducing the overall application backlog. Can you provide an update on how the Office performed against its 2025 goals, and what metrics you are using to measure progress

12. The executive order[1] derecognizing the union is currently in litigation[2]. How has management at the Office trained employees, supervisors on the changes in the workplace?

13. We are hearing that many changes to patent examiner PAPs (Performance Appraisal Plans) have occurred and more are being considered. These are taking place particularly after collective bargaining rights were stripped. For instance, productivity requirements have increased. What measures are you taking to ensure that these changes will not negatively impact employee morale, retention, and recruitment?

14. Recently agency officials noted a goal of hiring 900 patent examiners. How is that number arrived at? What is the current attrition rate? How many employees took the Deferred Resignation Program (DRP) and are there plans to retire any that took that program?

15. Newly hired Examiners typically have a low retention rate. What is the plan to train and retain the 900 new examiners, when training has been cut from four months to less than two, Senior Examiners have been restricted from spending time to help new Examiners, and Supervisors have been required to Examine cases to avoid the inheritance credit going to the examiner corp?

16. Can you tell me where the Agency is on its work regarding Schedule P/C (some call this Schedule F) implementation? What percentage of the workforce will be reclassified?

17. What is the status of reduction in force (RIF's) at the Office? There are portions of the workforce that may still be subjected to reductions in force. What costs and savings has the Agency realized through the previous RIF's and planned ones?

18. We are hearing that many first line supervisors of examiners—Supervisory Patent Examiners (SPE's) —have retired, or been out. In one instance, one SPE has been covering five art units. What measures are you considering to address this?

19. The Office has begun introducing artificial intelligence tools into the examination process. What updates can you give, and what effects on hiring, training to workforce can you share?

20. Regarding subject matter eligibility, we are aware of a series of memos and letters to the examination corps regarding this shifting topic. Please detail how the examination corps is receiving appropriate training and time to be able to address these documents.

21. The focus on the reduction on pendency has been a key point in your remarks. We are hearing that many of the changes made to reach these goals have increased the patent term adjustment (PTA) dramatically. How is the Office remedying this?[3]

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[1] https://www.federalregister.gov/documents/2025/09/03/2025-16924/further-exclusions-from-the-federal-la bor--management-relations-program

[2] http://www.popa.org/blog/patent-examiners-union-moves-to-enjoin-trump-from-barring-membership-while-lawsuit-plays-out/

[3] https://patentlyo.com/patent/2026/03/pta-keeps-score-patent-term-adjustment-as-a-measure-of-the-uspto-backlog.html

22. We understand that applicants that take advantage of the Patent Prosecution Highway (PPH) program, the Quick Path Information Disclosure Statements Program (QPIDS), and those who file Requests for Continued Examination (RCE's) are now faced with examiners being given less time to process those applications or requests. What measures is your office taking to assess the impact of your changes?

23. We are hearing that as many as 110,000 patent applications are awaiting to be classified, which is a necessary step before they can be even looked at for examination. Classifiers vendors have been fired, and internal resources have been terminated. Please explain how you are dealing with the classification issues.

24. We understand that technical assistance to other countries to shore up their IP regimes has stopped and what efforts are there to develop and address this?

25. How many employees took the Fork (also known as the Deferred Retirement Program or DRP) and are there plans to retire any that took that program? Has there been any analysis of the costs associated with the DRP program at the Office?

26. The Denver Regional Office was closed abruptly last year and, in its stead, a new Mountain "community engagement center" was opened in Salt Lake City. What were the costs and savings in shutting down that regional office and with the new opening? [4]

27. With the cuts in spending, training for the workforce, travel and other expenses, we understand that your agency, which is fee-funded, has a growing surplus in the monies. What reinvestment into the workforce are you considering with these monies?

[4] https://www.uspto.gov/about-us/uspto-locations/mountain-west-community-engagement-office

Questions for the Record from Representative Kamlager-Dove for Director Squires

"Oversight of the U.S. Patent and Trademark Office"

March 25, 2026

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1. The Trump Administration has taken ownership stakes in a number of companies. Do any companies in which the government has an ownership stake have cases before the Patent Trial and Appeal Board (PTAB)? How can the American people be confident that you and the PTAB will not preference companies in which the government has an ownership stake?

2. Have you or your predecessor former acting director and current deputy, Coke Stewart, or any member of your staffs, had communications or discussions with the Secretary of Commerce or his staff about any case pending before or being appealed from the Patent Trial and Appeal Board? If so, please list those cases.

Questions for the Record from Chairman Issa for Director Squires

"Oversight of the U.S. Patent and Trademark Office"

March 25, 2026

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1. I applaud the President's recission of all Biden-Harris era executive orders, including Biden's executive order on "safe and secure" AI development, at the start of the Administration. Similarly, many of us were pleased to see the U.S. Patent & Trademark Office (USPTO) replace the Biden-Harris era agency guidance on AI and inventorship with clearer guidelines that promote and support innovation. Do you have plans to issue additional guidance on AI, such as with respect to subject matter eligibility or prior art?

2. The Department of Justice (DOJ) recently announced a settlement between the DOJ and a patent examiner who held hundreds of thousands of dollars in investments in companies directly affected by patents she was examining. Is that examiner still employed at the USPTO? Do you know the prevalence of this behavior within the examining corps, and what are you doing to stop and prevent such misconduct?

3. Is the USPTO considering any proposal to revamp patent fees based on the prospective value of a patent, or any proposal to raise revenue or fee collections based on patent value, or revenue attributable to patents (e.g., licensing or royalty revenue, sales of products practicing the patented technology, etc.)? What analysis has the USPTO or Department of Commerce conducted to determine the impact of any such proposal with respect to the economy, the innovation ecosystem, or U.S. technological leadership?

4. Some stakeholders have expressed concern about proposals that would raise revenue from patents beyond what the USPTO needs to operate—essentially turning the patent system into a source of funding for other parts of the federal government, or the general Treasury. Is the USPTO or the Department of Commerce considering any policy that would increase patent-related fees or charges for the purpose of generating revenue beyond the USPTO's operating needs?

5. Many of your policies with respect to the Patent Trial and Appeal Board (PTAB) relate to what the USPTO has determined to be the Director's discretion under the AIA to deny IPR petitions. According to the agency, this discretion is based on the fact that the statute does not expressly mandate institution. In your view, would a Director have the authority and discretion under the AIA to deny all petitions filed against U.S. manufacturing companies?

    a. Would a Director have the authority and discretion under the AIA to deny all petitions filed by a Chinese entity, or just any foreign entity?

    b. Would a Director have the authority and discretion under the AIA to deny all petitions challenging a patent owned by a U.S. entity?

c. Would a Director have the authority and discretion under the AIA to deny all petitions challenging a patent on a pharmaceutical product? Or an AI product?
d. Would a Director have the authority and discretion under the AIA to deny any petition based on the amount of damages sought in district court litigation? Or the type(s) of remedies sought (e.g., injunction, exclusion order, lost sales, etc.)?

e. Would a Director have the authority and discretion under the AIA to deny any petition based on the venue(s) in which the patent owner has filed infringement or other enforcement actions?

f. Would a Director have the authority and discretion under the AIA to deny all IPR petitions?

g. If the answer to any of the above parts of this question is negative (i.e., in your view, a Director would not have the authority and discretion under the AIA), why would a Director lack such authority under the AIA?

6. At your Senate confirmation hearing, you testified that, before making major changes to PTAB practice, you would work with Congress and stakeholders to determine what reforms, if any, were appropriate. You also testified that you did not intend to restrict access to IPRs, particularly where they serve to address abusive patent practices. Since being confirmed six months ago, you have announced numerous major changes to PTAB practice that have already sharply decreased the ability of petitioners to access IPRs. Can you explain how the policy changes you've pursued, and the way you've pursued them, comport with your prior testimony?

7. We have seen data indicating institution of AIA proceedings fell to 50 percent or lower in 2025, the lowest in history, and that your policy changes have contributed significantly to this decrease. Do you believe that the institution rates in past years have been too high? If so, what is the basis for that belief, and what is the healthier institution rate that you are attempting to achieve?

    a. Is there an institution rate that you believe would be too low?

    b. Are you concerned that limiting AIA procedures may be inconsistent with Congress' express intent in the AIA to make IPRs widely accessible and available?

    c. Congress considered concerns about repetitious petitions and parallel litigation when it drafted and passed the AIA, and we considered (but purposely declined to adopt) a “one and done” rule for IPRs (whether with or without joinder). Was the USPTO Director authorized by Congress in the AIA to reconsider and reverse the decisions made by Congress, and change IPRs accordingly? If so, where is that authority set forth in the AIA?

d. Do you acknowledge that under your preferred “one-and-done” system at PTAB, some patent owners like patent assertion entities (PAEs) could be incentivized to game the system by targeting a weak opponent first to obtain an easy win, and targeting stronger opponents later to take advantage of your rule?

e. Do you acknowledge that under your preferred "one-and-done" system at PTAB, some patent owners like PAEs could be incentivized to game the system by asserting patents narrowly at first to obtain an easy win and avoid prior art, then targeting broader categories of accused products later to take advantage of your rule?

f. Like the falling IPR institution rates, and likely because of them, IPR filing rates are similarly dropping. Stakeholders have told us that your policies essentially close the door to IPRs. If IPR filings dwindle to minimal levels, do you believe your policies would be consistent with Congress’ intent or would they need to be modified?

g. Do you agree that even under your preferred PTAB rules, no patent will ever have “quiet title,” or will ever be immune from challenge, because each and every defendant in every district court and ITC patent case can always challenge its validity?

8. For a number of years, USPTO has used memoranda, guidance documents, and the designation (and de-designation) of “precedential” and “informative” PTAB opinions to make policy changes, including with respect to the institution of PTAB proceedings. Why don’t the rules enacted through these mechanisms require notice-and-comment procedures under the Administrative Procedure Act (APA)?

    a. Do you believe that the rules proposed in your October 2025 Notice of Proposed Rulemaking (NPRM) are substantive rules that require notice-and-comment rulemaking under the APA?

    b. For the October 2025 NPRM, can you identify all of the regulations that USPTO cut to comply with the President’s Executive Order 14192, which directs executive agencies to cut at least ten regulations for every new rule it seeks to promulgate?

    c. Can you explain how your use of memoranda, guidance documents, and precedential and informative PTAB decisions, complies with the President’s Executive Order 14219, which instructs executive agencies not to engage in subregulatory policymaking?

9. The generic and biosimilar pharmaceutical industry has indicated that curtailing PTAB trials will be counterproductive to the President’s stated policy of lowering drug prices. This is because eliminating an important tool to clear invalid patents (including in patent thickets) that block generic and biosimilar competition will prolong monopoly pricing of

vital medicines. As we all know, high drug prices are costing Americans billions of dollars. If the generic and biosimilar industry is correct about the importance of PTAB proceedings to promoting generic and biosimilar competition, would you agree that your October 2025 NPRM may have a significant economic impact on the United States?

a. Do you agree that invalid patents should be eliminated as efficiently as possible to avoid blocking generic and biosimilar drugs from entering the market and competing with expensive brand name drugs to bring down drug costs?

b. If the generic and biosimilar industry is correct about the importance of PTAB proceedings to promoting generic and biosimilar competition, would you consider withdrawing the October 2025 NPRM to ensure that it does not conflict with the President's agenda on lowering drug prices?

c. What analysis did the USPTO conduct on the potential impact of the October 2025 NPRM on drug prices, or the ability of generic and biosimilar drug manufacturers to bring their products to market faster by clearing away invalid patents?

10. Because of abusive patent litigation and PAEs, major manufacturing industries like the auto industry have indicated that restricting access to IPRs harms their ability to operate and expand manufacturing facilities in the United States, which works against the President's stated policy of promoting American manufacturing. If the auto industry and other manufacturers are correct about the importance of PTAB proceedings to their industries, would you agree that your October 2025 NPRM may have a significant economic impact on the United States?

    a. Do you agree that invalid patents should be eliminated as efficiently as possible to avoid allowing PAEs to target and disincentivize manufacturing activity in the United States?

    b. If the auto industry and other manufacturers are correct about the importance of PTAB proceedings to their industries, would you consider withdrawing the October 2025 NPRM to ensure that it does not conflict with the President's agenda on American manufacturing?

11. The People's Republic of China (PRC) is now the top nation of origin for non-U.S.-origin patent applications at the USPTO. Many of those applications come from state-affiliated entities like Huawei and BOE, which means the patents issued on those applications are to some extent controlled by the PRC government and the Chinese Communist Party (CCP). Do you acknowledge this fact presents a potential national security issue for the United States, and what is the USPTO doing to address it?

12. More U.S. patents are granted to foreign applicants than U.S. applicants every year, and the gap is widening. Thus, the U.S. patent system is incentivizing more foreign

innovation than U.S. innovation. What steps, if any, is the USPTO taking to address this troubling trend?

a. Many patents issued to foreign interests end up as standard essential patents (SEPs) that are crucial to controlling technological leadership. In recent years, foreign jurisdictions like the PRC and the EU are adjudicating cases and determining royalty rates for global SEP portfolios, including their U.S. patents. The PRC, for example, is incentivized to set rates based on patent quantity rather than patent quality, which benefits Chinese national champions over U.S. competitors. Given that the majority of U.S. patents go to foreign entities, what analysis does the USPTO conduct to determine whether its policies are consistent with the President's America First agenda and benefit Americans and American companies more than foreign interests? And did you conduct such an analysis for your October 2025 NPRM before issuing it?

b. What proportion of patents issued by USPTO in the last five years have been issued to entities based in countries on the USTR's Priority Watch List in its Special 301 Report on Intellectual Property Enforcement? What proportion of U.S. patents reported as being asserted in litigation in the last five years were issued to entities based in such countries, and what proportion were owned by or assigned to such entities at least at some point?

c. Will you commit to ending the USPTO's facilitation of adversarial interests, such as entities with ties to the CCP or entities that have been sanctioned by the U.S. government, including ending their access to programs such as the Patent Prosecution Highway (PPH)?

13. Commerce Secretary Howard Lutnick has suggested that the Department of Commerce would exercise "march-in" rights with respect to certain universities and was opening an investigation into those universities' compliance with the requirements of the Bayh-Dole Act. Are you aware of the status of the investigation, and has the USPTO been consulted on this investigation?

    a. Are you aware of any other efforts by the Trump Administration to "march-in" on patent rights?

    b. What analysis has the USPTO or Department of Commerce conducted to determine the impact of any proposed use of Bayh-Dole march-in rights on the economy, the innovation ecosystem, or U.S. technological leadership?

14. USPTO announced a standard essential patent (SEP) working group at the end of last year. Can you provide an update on the working group's activities, what it hopes to accomplish, and how the working group will work with all stakeholders, including both SEP owners and SEP implementers? Will you commit to working with this Committee to ensure that the USPTO's SEP-related advocacy does not harm American manufacturers and product companies?

15. USPTO has recently filed statements of interest in multiple cases in support of patent plaintiffs, including at least one PAE, to urge the granting of injunctions against the manufacturer defendants. I am concerned that putting a thumb on the scale in favor of injunctions could be interpreted to favor enjoining U.S. manufacturing operations, including potentially in critical industries with sensitive supply chains. Can you explain why USPTO is injecting itself into private patent disputes on behalf of PAEs?

    a. Can you explain in detail the investigation USPTO performed to ensure that any PAE you are supporting is not funded by, or aligned with, foreign adversarial interests?

    b. To the extent you intended to support U.S. non-practicing entities (NPEs) that contribute to U.S. innovation, such as universities, why did USPTO choose to file statements of interest in PAE lawsuits instead? Why not file those statements in cases where a U.S. university or similar entity was the plaintiff?

16. The former Commissioner for Trademarks at the USPTO concluded his term on February 28, 2025. When will a new (permanent) Commissioner be appointed?

17. Are you concerned that recent personnel rates of attrition in some business units will make it difficult for the agency to keep up the pace and quality of work required? How many administrative patent judges (APJs) are currently at USPTO, how many have left since the start of the Trump Administration, and what is the target number of APJs you are trying to achieve?

18. What metrics does the USPTO use to measure patent quality for patents it issues? How do patents issued by the USPTO compare to those issued by other IP5 patent offices in terms of patent quality, over the past 5 years, 10 years, and 20 years?

19. Please provide an update on the USPTO's implementation of the Trademark Modernization Act (TMA), the impact of the TMA on the federal trademark register, and the progress of USPTO efforts to clean up the register and reduce fraudulent trademark registrations.