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U.S. patent office institutes help for ID thefts

By Tom Ramstack
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The U.S. Patent and Trademark Office has instituted new procedures to protect inventors from identity thieves who could take their personal financial information from public records.

The patent office is issuing printed warnings to inventors not to put sensitive information, such as their Social Security and bank account numbers, on patent applications and related documents.

The agency also reserves the right to remove the information from the documents if inventors include it. The new security procedures took effect Oct. 1.

"When we find or are informed of such personal information in our files that could contribute to identity theft, we remove it and so inform the applicant or petitioner," spokesman Richard Maulsby said.

Patent officials also are using more sealed or restricted copies of documents that are revealed only to patent and trademark applicants.

In August, while the patent office was studying options for preventing identity theft, Mr. Maulsby acknowledged that documents filed by inventors could expose them to fraud.

Although patent officials said they do not know of any cases of identity theft from their documents, they agreed in the settlement of a lawsuit to close the vulnerability.

"We fully expect our steps to be effective in helping protect against identity theft," Mr. Maulsby said.

The greatest risk involves documents filed by inventors who are late in paying maintenance fees due after four, eight and 12 years of patent ownership.

They are required to submit evidence that explains why they should be allowed to keep their patent rights.

The more than 1,000 inventors who petition to reclaim their patent rights each year typically provide the information to prove that hardship prevented them from paying their maintenance

fees on time. The fees range from \$450 for independent inventors to up to \$3,800 for large companies.

They often submit documentation such as divorce decrees, tax returns, records of psychological therapy, professional license suspensions, hospital bills, credit reports, telephone numbers and home addresses.

David Brown, a Sun City Center, Fla., inventor who noticed the identity-theft risks when he tried to recover rights to one of his two patents, filed the lawsuit in 2003.

He questioned this week whether the new procedures will adequately protect inventors.

Often, inventors trying to reclaim their patent rights submit medical records to document the hardship that prevented them from paying their maintenance fees.

"There is a wealth of medical information there," Mr. Brown said. "These include hospital bills, doctors' notes, psychiatry reports and long-form death certificates."

Glen Kotapish, president of Inventors Network of the Capital Area, a group of independent inventors, said he "heard rumors" of identity thieves using personal information on patent and trademark documents to commit fraud.

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