



United States Patent and Trademark Office

*Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office*

TO: Employees in the Office of the Commissioner for Patents

FROM: John A. Squires
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

DATE: March 2, 2026

SUBJECT: Guidance on Examination of Patent Applications and Stock
Ownership

Federal ethics laws and regulations impose various obligations on employees of the United States Patent and Trademark Office (USPTO) to ensure the public is confident that the USPTO is fairly and impartially discharging its official responsibilities. Careful adherence to these standards is particularly important when parties are filing patent applications with the USPTO to ensure the public has complete confidence that patent applications are examined without any conflicts of interest affecting the outcome of examination. These ethics standards include requiring that employees refrain from taking part in matters before the USPTO in which they (or a spouse or minor child) have an actual or apparent conflict of interest.

As you are aware from annual ethics training and guidance, the conflict-of-interest rules provide that USPTO employees generally may not work on matters that will impact their financial interests. The executive branch ethics regulations, however, deem certain financial interests too small to undermine public trust in the integrity of government decision-making and accordingly provide exemptions to permit an employee to hold de minimis financial interests and still work on matters that could affect those interests. For example, under the executive branch ethics regulations, patent examiners may examine an application if their aggregate holdings in

publicly traded stocks in the applicant(s) filing the patent application do not exceed \$15,000.¹ This \$15,000 threshold has been in force for decades and governs employees across the executive branch of the U.S. government.

The existing executive branch regulations also include a catch-all that counsels federal employees not to participate in a matter if they determine that a reasonable person who knew the circumstances of the situation could legitimately question their impartiality.² Thus, the appearance of conflicts of interest may counsel in favor of recusal even when the financial interests in question fall below the thresholds identified in the relevant rules applicable to all USPTO employees.

As our fundamental obligations are to uphold the public's confidence in the integrity of both our agency's processes and personnel, I have concluded adjustments to our patent examination procedures and case handling are warranted. For patents to be born strong, and the public to have confidence that they are, we must ensure strict adherence to USPTO's ethical standards and avoid (real or apparent) conflicts of interest. You are the best in the world at what you do, and as patent examiners at USPTO you play a unique role in deciding which inventions warrant conferral of exclusive rights from the government. You are among the first public officials to engage with emerging technologies, and you are positioned at the entry point of our innovation ecosystem and see the new and the next sometimes years before markets, regulators, or even the public fully understand their significance. Each of you takes an oath of office in order to formally assume the responsibilities of a USPTO employee, and thereby affirms your commitment to the rule of law, to independent judgment, and to the public trust that Congress

¹ 5 CFR § 2640.202.

² U.S. Office of Government Ethics resources for executive branch employees are available here: www.oge.gov/web/oge.nsf/resources_standards-of-conduct.

has placed in our agency. And to the American people. Your oath is patterned after the very same oath George Washington first took at the birth of our country, and every public official in every capacity since, ranging from the nation's Chief Executive, to our Armed Forces, to America's Innovation Agency. We are entrusted with American ingenuity – and it is a high honor.

Your work determines which ideas possess the legal clarity and definition necessary to move from conception to Constitutionally enshrined protection. The USPTO serves one of the oldest missions in the U.S. Federal Government, an indication of how important intellectual property is to this country. Indeed, our mission of providing IP rights to individuals was so fundamental to democracy that our Founders inscribed those protections in Article 1, Section 8, Clause 8 of the U.S. Constitution in 1787. The United States of America's very first patent was granted the first year the U.S. Government was established, in 1790. And it was signed by President George Washington, who took the similar oath as our examiners take now. The first patent examiner was Thomas Jefferson, author of the U.S. Declaration of Independence and the third President of these United States, who also took the similar oath that examiners take today.

This year, as we celebrate America's 250th birthday, it is more evident than ever that the protection of intellectual property rights is part of the very DNA of our still young country. Throughout, the USPTO has stood at the intersection of breakthroughs, creativity and advances that have brought and will continue to bring better tomorrows for all of us, improving our lives, fueling economic growth, creating new jobs and most importantly advancing the very American freedoms our Founders declared in 1776.

Accordingly, given the unique and consequential role Patents employees play in America's innovation economy, deciding the important rights protected by patents, and pursuant

to my authority under 35 U.S.C. § 3 to set policy at USPTO, I am directing any Patents employee who participates in deciding the scope of patent rights to affirmatively recuse themselves from examining any application where they hold stock or bonds (publicly traded or privately held) in any of the listed applicants, regardless of the dollar value—rather than the current \$15,000 threshold. Patents employees who participate in deciding the scope of patent rights include patent examiners (inclusive of patent reexamination specialists) and their supervisors when the supervisor is signing or otherwise reviewing (e.g., a streamlined review) an Office action.

This guidance does not alter or amend the application of existing ethical standards to patent examiners or their supervisors. It does not require patent examiners or their supervisors to divest any financial interests (e.g., stocks or bonds), nor does it prohibit them from holding any financial interests.

This new examination guidance is separate from existing ethics standards and does not in any way modify those ethical standards applicable to patent examiners or their supervisors. It is intended to avoid patent examination being conducted in a way that might elicit concern, even if patent examiners and their supervisors are in full compliance with all ethics statutes and regulations. Let me be clear: nothing in this memorandum is intended to imply or suggest that patent examiners or their supervisors, in any past or pending cases, have been anything but fair, impartial, and acted in good faith. USPTO's patent examiners are committed to avoiding even an appearance of impropriety, and have pledged not to otherwise violate any obligations under existing federal ethics regulations and laws.

To ensure that patent examiners, their supervisors, and Patents management are able to make fully informed decisions in examining patent applications, I am herewith requesting that patent examiners, as part of their existing conflict check procedures, voluntarily inform their

supervisors of any companies in which they know that they, their spouse, or their minor children own stocks or bonds, regardless of the dollar value of such stocks or bonds. Supervisors of examiners should likewise inform their Technology Center Directors of such information.

Regardless of whether a patent examiner provides this additional information to their management, I am directing patent examiners and their supervisors, upon receipt of a notification that they have been docketed a patent application for examination or review, to promptly notify their supervisor if recusal is necessary in view of this guidance. I am further directing that if a patent examiner or supervisor later becomes aware—after a case has been docketed or submitted to them—that the examiner or supervisor, or the examiner's or supervisor's spouse or minor children, owns any amount of stock or bonds in the applicant, the examiner or supervisor request that the application be reassigned. Patents management shall provide further guidance about the implementation of this memorandum.

This guidance goes into effect immediately, and will remain in full force and effect until further notice.