



Trademark Public Advisory Committee  
**USPTO Financial Update**

*September 2, 2010*



# FY 2010 Status

## Increase in Collections and Spending Authority

- ↪ FY 2010 by \$129 million to \$2,016 million
- ↪ FY 2009 to FY 2010 \$209 million

## Actual fee collections: \$1,730 million as of July 31, 2010.

- ↪ Patents: \$1,547 million
- ↪ Trademarks: \$183 million

## Estimated EOY fee collections: \$2,032 to \$2,119 million.

- ↪ Patents: \$ 1,812 to \$1,894 million
- ↪ Trademarks: \$220 to \$225 million

## Estimated EOY carryover balance: \$201 million (August 12, 2010).

- ↪ Patents: \$108 million
- ↪ Trademarks: \$93 million



# Continuation of FY 2010 Status

## FY 2010 Appropriation Increased to \$2,016 million.

- ↪ Includes the supplemental appropriation bill for \$129 million signed August 10, 2010 by the President.
- ↪ Fee Collections expected to be approximately \$70 million above appropriation authority – estimated range of collections:
  - ⇒ Patent: \$15 to \$96 million
  - ⇒ Trademark: \$2 to \$7 million

## Supplemental Authority:

- ↪ Hire 200 patent examiners during September 2010.
- ↪ Patent Publication and Printing production contract increase.
- ↪ Laptop replacement program.
- ↪ Fund PCT contract search support through the end of FY 2010.
- ↪ Patent production overtime increase \$8.1 million.



# FY 2010 Fee Estimates and Assumptions

For the Period Ending July 31, 2010

- ↪ Patents projected UPR filings have increased from 456,400 (FY 2010 PB) to 478,800.
- ↪ Trademark projected filings have increased from 356,000 (FY 2010 PB) to 371,900.
- ↪ RCE filings through July - 127,027; a straight line projection would yield 153,300 filings by year end.
- ↪ Patent Issues through July - 174,627; a straight line projection would yield 210,700 by year end.
- ↪ Renewal rates through July (projected for annual rates) are: 102%, 78% and 74%. A renewal rate above 100% is possible, but not expected to continue through the remainder of this fiscal year.



# FY 2011 Status

**FY 2011 requested appropriated level is \$2,331 million**

Includes 15% Patent interim fee adjustment - \$224 million

\$315 million from FY 2010 President's Budget level:

- ↪ 1000 Patent examiner hires
- ↪ PCT Outsourcing support
- ↪ Trademark Next Generation
- ↪ Demonstrating global leadership
- ↪ Increased IP Awareness

**FY 2010 supplemental Funded Projects**

- ↪ Patent production overtime
- ↪ Patent process reengineering
- ↪ CIO Infrastructure
- ↪ Increased and accelerated Patent examiner hires
- ↪ Nationwide Workforce

**FY 2011 Congressional sub-committee mark-ups complete**



# FY 2012 Budget Process

## July - August

- ↪ FY 2012 Budget initiatives and justifications were prioritized.
- ↪ Draft Strategic Plan posted for comments and provided to OMB for final review.

## September

- ↪ Strategic Plan – OMB Final Review and Clearance
- ↪ Draft FY 2012 Budget to DoC and PACs for review
- ↪ DoC and PACs feedback incorporated into budget document
- ↪ Submit FY 2012 OMB Budget Request

## November - December

- ↪ Develop the FY 2012 President's Budget Request

## February

- ↪ Submit FY 2012 President's Budget Request



# Other Financial Items

- ↪ Routine cost analysis of Trademark fees is ongoing as a part of normal business activity.
- ↪ Fee cost analysis data shared during subcommittee meeting.
- ↪ No current plans for changes to Trademark Fees – operating reserve level in outyears is optimal.
- ↪ Current patent/trademark ABI Q3 allocation – 90/10