

UNITED STATES PATENT AND TRADEMARK OFFICE

TRADEMARK PUBLIC ADVISORY COMMITTEE MEETING

Alexandria, Virginia

Friday, March 9, 2012

PARTICIPANTS:

TPAC Members:

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DEBORAH COHN, Commissioner for

Trademarks

Financial Subcommittee:

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ANNE CHASSER

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Operations Subcommittee:

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PARTICIPANTS (CONT'D) :

TTAB:

JUDGE GERARD ROGERS

LINDA MCLEOD

OCIO:

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RAJ DOLAS

OPEA/GA:

DANA COLARULLI

Audience Member:

ERIC PELTON

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P R O C E E D I N G S

MR. TEPPER: Good morning and welcome to this public meeting of the Trademark Public Advisory Committee. This may be our first meeting with a sound track, so I hope that those of you in the room enjoyed that. We think that was Nora Jones singing Sea of Love. And if anyone can correct us, or tell us who that singer was, that was a very nice beginning.

I'm sorry to follow the music with my voice and my comments, but I just want to welcome everyone this morning to our session. And let me introduce for you briefly our committee members. We are joined today by a lot of folks from the PTO. We'll be acknowledging and introducing them as our meeting proceeds.

But we do have a couple of our members who were unable to be present today. Deborah Hampton is in the process of moving between Ohio and New York, and Deborah has been participating -- she was currently with Elizabeth Arden. And Cheryl Black is unable

to be here. She is attending to a family matter today.

We do have with us Howard Friedman, who represents the NTEU. Anne Chasser from the University of Cincinnati. James Conley from Northwestern. And James, I am sorry about the overtime loss yesterday. I'm Maury Tepper. I chair this committee, and I went to Wake Forest so we can also -- we weren't even close to going to overtime. I don't mind putting that on the public record.

And those to my left -- I don't know if this is stage left -- Kathryn Barrett-Park with General Electric. They make pretty much everything, so if you're not familiar with their products, take a look around. Jody Drake with Sughrue Mion. Ray Thomas will be here in a moment. We suspect that Ray is caught in traffic, or parking issues. Ray is with Miles & Stockbridge and he -- you know, those of us from out of town are lucky to be, you know, kind of, here and right nearby to walk around the corner. Ray has a commute, so we'll look forward to him joining us in just a

few minutes.

MR. ROGERS: Route 66 is backed up, and he's coming in from Leesburg.

MR. TEPPER: Chief Judge Rogers has us right down to the minute with news, weather, and traffic, so we'll expect Ray to get through the traffic snarl on Route 66 then.

That being said, I think we'll go ahead and begin. I'm sorry, Linda, I halfway got -- I halfway acknowledged you. I do apologize. Linda McLeod is with Finnegan Henderson.

And we'll go ahead and proceed with the meeting. We'll be fairly close to our schedule. We want to start off today with a budget update. We're pleased to have Anthony Scardino from the Chief Financial Officers office, and we'll take a look at the numbers for those of us who try to understand such things.

MR. SCARDINO: Good morning. It's a pleasure to be here. Since we met last -- let's try to think -- in the financial world,

we submitted a budget for 2013 which will go through the President, submitted on February 13.

But first, I want to start with Fiscal Year 2012 since we're almost halfway through the year. I've got a slide here that shows, kind of, where we are. So for 2012 we anticipate collecting a little more than \$2.5 trillion -- billion dollars, sorry, billion, (laughter) for Trademarks specifically. It's a little more than \$250 million. You'll recall the Congress enacted legislation that authorized us to collect \$2.706 billion this year. We're going to collect a bit less than that. We had what we call a bubble at the end of Fiscal Year 2011; mostly patent fees collected, so we're managing to the \$2.5 billion mark right now. Surplus at the end of the year for Trademark will -- actually I don't even want to call it surplus -- carryover into 2013 is estimated to be \$101 million.

In 2012 the \$253 million will support first action pendency right at the

goals of 2.5 to 3.5 months, with total pendency at less than 12 months. It's also got a sizable increase for Trademarks Next Gen. That project, you'll get updated on later today, but making great progress and proceeding at pace. We are scheduled to spend roughly \$18 million this year on TMNG, and we're also within the 2012 budget. We're expanding our nationwide workforce and opening an office in Detroit in July.

Now, as I mentioned, Fiscal Year 2013, the President submitted a budget for the entire U.S. government on February 13th. That included a little more than \$2.9 billion for USPTO, and specifically, that has funding in there to hire more trademark examining attorneys to keep pace with the rising applications. And the little typo in here -- I would say there's \$103 million to maintain 634 FTE for all of Trademarks. Howard was nice enough to point that out to us yesterday. It's not just trademark examining attorneys but all of staff for Trademarks.

It's also got funding in there to

continue TMNG or Trademarks Next Gen. And that's basically about it. I mean, right now we're also internally starting the Fiscal Year 2014 process, so what I'd like to say is we're working three budgets at the same time. This is just the very, very, very initial stages of 2014. We're meeting internally. But it all kind of goes hand in hand. As you saw, the carryover always kind of manages or dictates what we need the next year. As well as our operating requirements always match our strategic goals, the 2.5 to 3.5 ones in first action. So any questions, thoughts, comments?

MR. TEPPER: Does anybody have questions for Tony?

MR. SCARDINO: Okay. Director Kappos testified last week, House Appropriations Committee on our 2013 budget. We're now getting questions. Normal process is hopefully that we'll have a budget by October 1st. We'll see about that. But if there are no questions, thank you very much.

MR. TEPPER: Thank you, and that is probably the smoothest one can hope for.

Let's hope this is a good sign the DIA has made all of our lives easy, and the budgeting process will be predictable, and if you can detect just a touch of irony in my voice, that may be the case. But we are very pleased that performance is moving forward on track, and we're at a good time right now.

This just in while we were transitioning, and thank you for that information, Tony. The song that you all heard earlier was, in fact, the classic Sea of Love covered by a group named Cat Power. I want to thank the office for their ability to chase down all sorts of information for us this morning. (Laughter) Okay.

Dana, you look very energetic for this time of morning for a man who goes as many places as you. We'll sort of turn -- and these are often related issues, but we're going to have a legislative update from Dana Colarulli who sort of looks after us on the Hill, keeps up with the unpredictable vagaries of what may be going on in Congress, and we'll look forward to hearing what might be

happening next that's going to impact us.

MR. COLARULLI: Thanks, Maury.

Well, the coffee has just started to hit my blood stream. That may account for some of my energy. You know, I have to be energetic when I follow Tony, when he's giving such a glorious review of where our finances are. So I'm doing that. I'll mention, you know, I'm very happy to be a Starbuck's drinker, and I got my gold card last night. I finally -- my name is on a gold card, so I'm investing in the brands in this country. I'm very happy about that. (Laughter)

Lots of energy from the legislative affairs side of PTO today. Also, to answer the obvious question and transition from Tony, he mentioned that we testified in front of the House CGS last week. It went very, very well. I'll talk a little bit more about that. To answer the obvious question, I have very little to control over whether they'll meet their October 1st deadline, but I, like everyone in Washington will hope. And I think we've been able to put a good track record

down for improvements at the agency. One of the things about the CGS House of Approps Hearing this year that I was very proud about was that last year we had a question from one of the members who said, "Mr. Director, you're coming in front of us, like many other directors in the past. You put down a budget that says you're going to be making multiple gains in the Patent and Trademark side. How can you prove to us that we should trust you?" And over the last year, we've really made lots of gains on all of our goals. We were able to show that very, very well. That question did not come up again this year, but if it did and we prepared for it, I think we have a really good story to tell. So, with that, let me go through a couple slides here, and we can talk a little about the hearing last week to the extent there are questions.

So, general legislative update.

Legislation that we'd been following -- clearly the SOPA Protect IP legislation that now is, for all intents and purposes, is dead for this Congress. We're continuing to watch

the discussion around that. For those of you that read Politico there's an article, even today, about the impact of the opposition against this legislation. I think, you know, we need to be very careful as legislators are proposing changes to copyright law; changes to parts of the law that affect the transfer of intellectual property rights online. Here, over the next few years, it really was a watershed political event that led to these bills being taken off the schedule. So, we'll continue to be watching that.

Since the TPAC last met, there has been activity on legislation that Zoe Lofgren had championed in the past. This is directed to -- mostly to patent designs and to the auto industry. This now is a bill that's actually co-sponsored by Representative Lofgren and Representative Issa, who is one of the main opponents of SOPA. So we're watching that very, very closely.

Certainly there's still discussion about technical corrections to the patent reform bill, the America Invents Act.

Unclear, given this is a political year, given the limited time to get legislation done this year when that might move forward. But certainly there are some good purely technical issues there that the office would like to be addressed sooner rather than later.

And then, as Tony had mentioned, as we just discussed, clearly we are watching the progress of the appropriations bills and the FY13 budget proposal for the President that we delivered last week, at least the PTO portion. The Secretary of Commerce is testifying next week for his portion, so we're having a lot of engagement with our appropriators on issues important to making sure we have the budget we need.

And then last, I had a section on Congressional reports. We're moving forward on completing the various reports required of the PTO. Today, in California, is the second hearing on genetic diagnostic testing. That's happening later this morning over there on the West Coast. That's the third report that we're required to do. Others have one-year or

later deadlines and we'll be continuing in those.

And there are a number of reports required from our FY12 appropriations. A lot of that's operational. There's a number of IT reports required on our IT spending, reports required on the development of our fee projections. The deadline for most of those reports is around the March 16th, March 17th timeframe, so we're working diligently on those, and Tony may have mentioned some of those in his report.

Hearings -- we've gone up twice to testify in front of Congress since this committee last met. On the Prior User Right defense, that was a provision in the AIA and then as I mentioned, on our FY13 appropriations. There are at least a few opportunities for the director to again return to the Hill and testify, possibly on both the House and the Senate side. Certainly our authorizers are very interested in the progress of implementing the AIA, so that'll be front and center, one of the topics. But

there also may be an opportunity for us to talk about the impact of the changes in U.S. law on the international front. So, none of those are confirmed but those are conversations that the Hill has engaged us in on whether there's an opportunity to bring the director back up to the Hill.

Outreach to stakeholders -- I mentioned the genetic testing study and the hearing going on today in San Diego. Our satellite offices -- I don't know if I described this as outreach or inreach. There are a lot of members of Congress and a lot of delegations very interested in opening a satellite office in their location. We're very excited that folks want us to come to their backyard, so we're continuing to have a lot of those meetings.

We're in the process of evaluating more than 600 submissions that came in during this process. Somewhere around 58 or about 60 separate locations around the country are eager to have a location. We're happy that in the submissions we saw a lot of the, you know,

cost/benefit analysis data that we needed. Show us, make the case for why your location is the best place for us to move. We're happy we got a lot of that information. We'll likely be in a place where the team will be able to make a recommendation in the May timeframe. We're on track to open up the Detroit office in the July timeframe, so if all goes well, perhaps an announcement sometime in-between those two dates on where we'll be moving next.

AIA Roadshow has a lead-in this week coast to coast on the patent reform bill. But we've also been trying to bring more Congressional staff in to understand what happens, not only on the Patent side. We had the AIA -- people are interested in how it's implemented, but also on the Trademark side and what resources are available to their constituents here at the PTO for folks seeking trademarks, seeking patents. And frankly, what the process is for on both the patent and the trademark side.

So, we did a recent day-in-the-life

for Congressional staffers. We'd also actually, incidentally, done the same program for our Department of Commerce colleagues. We're looking to do another event for Congressional staffers here in the next few months. And really looking for some opportunities to go up to the Hill and brief on all of the issues important to PTO.

In particular, one of my focuses right now is highlighting some of the researches we have for small businesses on both the Patent and the Trademark side. Congressional staff are frequently contacted by their constituents, you know, looking for just very basic information, so we're trying to make those resources more available. And with that -- end of my slide deck. I'm happy to talk more about the hearing last week or any other issue.

I think, you know, for this crowd, last year when we testified one of the issues that came up was the Trademark fence. On whether it's appropriate to maintain the Trademark fence at the PTO. The director

responded very fervently that yes, it makes, actually, good business sense for us. We covered that issue again with staff in briefings before the hearing. Happy that the existence of the Trademark fence was not challenged again this year, but something we still very much believe in.

And for those who don't know, the AIA actually put a parallel fence on the Patent side, trying to draw a very logical line between Trademark fees and Patent fees and the services we provide here. So, with that I'll end and entertain any questions.

MR. TEPPER: Thank you, Dana. And I think we will have a couple questions. I'm going to exercise my prerogative since I got to grab the microphone. And first of all, congratulate you -- comment on what a high-powered town D.C. Is because I have never known anyone personally with a Starbucks gold card. In the last 24 hours, I've seen two. So I don't know what goes on up here, but you people are serious. There's the other one. You don't want to publicly discuss your

addiction but now we have it. Howard, there's a 12-step program that we're involved in so it's -- Those of you may notice the branded beverage sitting in front of me so I'm not one to cast stones here.

I do want to clarify. We heard a little bit in both presentations about the satellite offices and I encourage you to take a look at the PTO website. It's a very nice looking property in Detroit. Just do keep in mind, as I understand, Trademarks is not involved so those of you around the table are not likely to be having a meeting in Detroit for our next session. And so, please keep that in mind.

And I did want to back up to -- I think it will be helpful if you might just, kind of, remind us. You mentioned both the authorizers and the appropriations bills, and if you might just give us a reminder of why that still matters to us under the AIA. I think we all heard a lot about how diversion -- fee diversion has been ended and the PTO's fees will be the PTO's fees. But, you know, I

think just for this group, for us to kind of be reminded of the way in which Congressional funding works and the degree to which this office still is subject to all of that oversight process on the Hill might be worthwhile.

MR. COLARULLI: Sure. Absolutely. Generally, there's, in terms of the PTO's engagement with the Hill, our authorizers. That's our Judiciary Committee members: Our House Judiciary and our Senate Judiciary Committees. They're going to look at substantive legislation. We're continuing to work with them. They will make recommendations on funding for PTO. They'll provide views and estimates, but the decision on the ultimate level of funding the office is in the hands of our appropriators. And for the PTO and for the Department of Commerce, we fall under the CJS. That's the Commerce Justice and Science Subcommittee of the Appropriations. And it's a similar structure, both the House and Senate side.

In the past, the PTO had developed a

budget, a performance based budget, based on expenditures and the fees that were coming in. That will continue to be the case going forward. The AIA does not change that. What the AIA did change was it created -- it did a couple things. It created a fund that any fees that come in above our appropriations amount would be deposited in any given year, and that was in the AIA. The appropriations language, then, included language that would set up a process that in those years where, again, there were these so-called excess fees, we could go to the appropriators and say these have come in. Here's the reason why we need them, and we'd like -- we're going to access them and use them for this year and give that justification. It's called the reprogramming in appropriation speak. So it set up that process. You know, it's a process that we don't anticipate using this year, in part because we were appropriated a number far above what we expect to bring in. That protects us in a few different ways.

Number one, we anticipate that

Congress may not make their October 1st deadline and we will have a continuing resolution. In that case, we're somewhat protected because we have this -- as we're bringing in more fees, we actually have a higher spending rate that we can base our spending on, so we're somewhat protected there.

The other thing that changed in the wake of the AIA is the way that we're told the Congressional Budget Office scores the agency. No longer is the incentive there for the appropriators to appropriate us less and use that delta to fund other programs. They've told us the way that they score us is that that incentive is no longer there, even if money goes into that excess fund. So, we're both -- based on that new statutory structure, and based on the good, I think, conversations we've had with the appropriators justifying here's what we're spending and here's why, we're very confident we'll be able to access all of our fees. Of course, that could change in the future, but that's the current state of

affairs for our appropriations.

MR. TEPPER: Great. Thank you very much, Dana, for that. Do we have questions? I think I saw -- questions from the committee? All right. Any questions from the public today? All righty.

Well, thank you very much and we'll continue to sort of watch with interest as the climate changes. I know, obviously, the SOPA bill gained a whole lot of attention on the Hill. I'll be sort of watching to see what that might mean for any other IP legislation coming this year, and it's a very interesting climate. We do appreciate that. Yes?

MR. COLARULLI: You mentioned satellite offices. I wanted to just add to what you said that that's true. No Trademark examiners are planned for. As we have these meetings with Congressional audiences, we remind them, look, the focus here is to hire patent examiners. But there may be, down the road, many other things that we can use these offices for and we'll be thinking about those.

You know, it's also helpful for me,

and I think it's a good dialogue as we're talking to mayors, local economic development officials, and others, we're highlighting the other resources available at the PTO. And some of those resources are our Trademark Assistance Center and any assistance that local companies or others may want to get from the PTO. In fact, they're making those more visible. So, there certainly is -- this is a good business model move for the PTO in terms of hiring patent examiners, but it provides other opportunities down the road, and we'll be looking at those.

MR. TEPPER: Great. Thank you for that good reminder, Dana. All right. If there are no other questions, we'll move forward. This is -- I think this is one of those things that I probably say at every meeting, but it's true at every meeting. This has been a very active time at the PTO. As always, Trademark operations have sort of been about the business of trying to make sure they continue to exceed all of their targets and have done so. So, there is a lot to update

you on and a lot of good news to share. I'll turn the floor over to Commissioner Deborah Cohn and we'll get an operations update.

MS. COHN: Thank you, Maury. Good morning, everyone. I'm going to run through the usual statistics, and I'll move through it pretty quickly. But please stop me and ask me if you have any questions. You all have -- I don't know if anyone can read this on the screen but you all have your copies in your books. So let me first run through in order.

The first page is for Trademark performance measures and this is through January, end of January of 2012. First item is quality. You can see that for our first action, quality -- first action office quality, and this is measuring the quality of the legal decision-making. We're just about on target. Just very, very slightly above our target.

For final office action quality, final compliance with legal decision-making, we're very slightly under our target, but well within the margin of error and, hopefully,

expecting to move that number up as the year goes on.

Our excellent office action which is really a comprehensive quality measure. It includes legal decision-making. It includes searching. It includes evidence and writing. And for that measure, we are exceeding our target which we are quite happy about..

Moving down to e-government which is the complete -- the percentage of applications that are processed completely electronically from beginning to end. And right now we're at 75 percent. More than, as you probably know, more than 98 percent of our initial applications are filed electronically and so we've turned our focus in the past couple of years to trying to get our users to use our electronic systems throughout the process and to authorize us to send e-mail so that we really exchange no paper in the process. So, 75 percent. We're trying to raise that number but we think that that's a pretty good level at this point.

Application filings, something we're

all very interested in. As you can see, as of the end of January, we're up 7.5 percent compared with where we were last year at this time. And that is, you know, that's a great sign. Last year we went up about 8 percent. The year before we went up and, of course, we had that big drop in Fiscal Year 2009 which was approximately 12 percent. But we've recovered from that. I think we're about where we were in 2008, so hopefully, we'll continue to go up and exceed that filing level. And, of course, we monitor that on a very -- on a continual basis.

Examiner production -- we're doing quite well on that. We're meeting and exceeding our targets. The next box is examiner FTE which is full-time equivalent positions. And you can see where we are right now. We're at 369, and in terms of actual positions we're at 377.

As you may remember, we hired 11 examining attorneys at the very end of September. Those folks are all in production now and doing well. We have a group of 15 new

examining attorneys starting on Monday, March 12. And then we have another group of 10 who have already been hired and scheduled to start in May, and we separated them for training purposes. And so we're, as Tony showed in the '13 budget, we are expected to hire again. However, we always caveat that with we're going to look at filings. We're going to look at inventory. We're going to look at production, and, you know, make our decisions as we go along. So, that's where we are with hiring.

Office disposals -- abandonments in registrations. You can see we're up in one area and down in the other which is fine. That just sort of just moves along.

Pendency -- we're on target. We're right now at 3.2 months to first action which is within our 2.5 to 3.5 range. We expect that will go down just a little bit as we get more people on production. Hopefully, the filing levels will continue to go up and we'll just maintain around the 3 months mark. So, that's really our goal.

Disposal pendency -- we are exceeding our targets in the area in disposal pendency when we include the suspended and inter-parties proceedings. We're at 12.2 months. And then, when you take those cases out and exclude them, we're at 10.3 months. So, obviously, the disposal pendency tracks the first action pendency so if we keep first action pendency at a low level, we can expect disposal pendency to also be at that good level.

And then the efficiency number, we're -- the minus percent is a good thing. And so, we're doing well in that area also. Okay, turning now to our second page here and the ESU which is the Examination Support Unit, you can see -- and actually I can run through this entire thing pretty quickly. For examination support and for their production and quality, they are going really well. You know, I think we have had some really good management and good work in that area, and we continue to do so.

Our Trademark Assistance Center also

handles more than 80 percent of their calls within 20 seconds of receipt which is really the standard. And they're exceeding that standard.

Our Intent to Use division, meeting their targets. Right on target, in fact. Fifteen days for extension requests. Fifteen days for statements of use, and they're below their target for divisional requests. Their quality is 99.7 percent. You can't get too much better than that.

Pre-exam also exceeding their target of two days. They're at one day, so the only area that we really have to focus on making some better efforts and making some improvements is our post-registration area. If you'll notice that, especially for the renewals, we are, as of the end of January, we're at 54 days which is not acceptable since our target is 15 days. However, I did get some late-breaking news that as of the end of February, we're actually down to 24 days in that area. So, we are really working on making some internal changes and trying to

improve the processing. Our volume in those areas has gone up quite a bit. I should mention that.

And then, our Petitions office is turning things around in 4 days which is great considering their target is 7 days which is also a pretty good time. So, that's really it. Does anyone have questions on the performance measures before I move on? No? Okay.

So, I wanted to update you on just a few items and please feel free to ask questions as I go along since I'll just move from one item to another if I don't have questions. The first thing I wanted to mention is our Telework program because we've had some changes in that area, and they're good changes. We have recently implemented the Telework Enhancement Act Pilot Program which allows some of our examining attorneys to move more than 50 miles away from their office, change their duty station, and waive their right to government paid travel. Now, in exchange for this, they no longer have to

report to the office on a regular and recurring basis but will report only as needed. And so that is a great program for people. As many of you know, approximately 90 percent of our examining attorneys work from home full-time, so this just gives them more flexibility to meet their lifestyle needs, their family needs, et cetera. And, you know, we have people, I think, in 25 different states in the continental United States; no Hawaii, no Alaska, no foreign countries.

So, we're very happy about that and we worked very closely -- management, USPTO management, the unions, Howard's team -- it was really a wonderful effort. And I want to congratulate everybody in this room who worked on that because it was just a terrific effort. And we got it done, and this is really leading the government in an area that we've already led the government in, but this just takes it that much further.

The next item I'd like to update you about -- our Trilateral meeting, our expanded Trilateral meeting which was in December. We

haven't had a TPAC meeting since that, so I wanted to give you some information. We hosted the Trilateral meeting this year. We also invited Korea and China to join us. Our traditional Trilateral members are of the USPTO, the United States, the European Union, and the Japanese Patent Office. So, we have been meeting with them over the years, and Korea and China have joined us as observers. This year, they have joined us as full members so we're very excited about that. China, as you may know, has the largest -- has the most trademark filings in the world so it's really wonderful that they have joined us. Korea is extremely advanced in their electronic processing, and really both countries are going to make a wonderful addition to the Trilateral effort.

We spent some time talking about a number of collaborative projects. One that you might be interested in is common status indicators, which when it's completed would give people globally, looking at these five countries, the ability to see the same status

descriptors, and it just makes the understanding of, you know, what's going on with those applications. It just facilitates that -- and we are really excited about this project. And we're actually leading this project for the Trilateral, and I'm going to have to stop calling it the Trilateral. We have renamed it the TM5, so not very creative, I know, coming from the Trademark Office, but that's what it is at this point.

The other area we're working on, another collaborative project you might be interested in has to do with identifications of goods and services. And the EU is leading an effort to sort of harmonize the listing of those, and we're working closely with them. We've sent them all of our data. They have data from other countries, and I think that will be a very good result for people to look in one place and see what identifications are acceptable in different jurisdictions. Any questions about the TM5? Okay.

The next item I wanted to mention was, and Dana mentioned this briefly in his

talk, talking about reaching small businesses and educational outreach. And we've actually made a concerted effort this year to increase our outreach. As many of you know, we've had roundtables and focus groups throughout the country. But this year in particular, and recently, we are also focusing on our, sort of, general educational outreach to people who are not part of the Trademark bar, to people who wouldn't ordinarily have access to this kind of information.

And we have begun a project and that project is led by Craig Morris who has -- who many of you know, has been our TEAS manager for 14 years and has done just a superb job, and has done quite a bit outreach in that area. So, Craig is now the managing attorney in charge of our educational outreach. And he has started a working group that has representatives from a number of stakeholder groups into AIPLA, IPO, TPAC, the ABA, the California State Bar IP Section, and the Small Business Administration. And they've met and they're discussing ways to implement the

recommendations that you might remember were made in the litigation report in 2011 that was submitted to Congress.

So, just running through the areas that they're going to be working on: Engaging the private sector and providing free or low-cost legal advice to small businesses via pro bono programs and clinics, engaging the private sector about offering CLE programs, on trademark policing measures and tactics, and engaging the USPTO's educational outreach programs to target an audience beyond the trademark bar. And, you know, that's a challenge, frankly, to include non-trademark attorneys to the small business community, the entrepreneurial community, and even students.

So, Craig has a big task in front of him and he's already gotten started on that. So, to just sort of put it into context, our outreach is really two-pronged at this point. We're trying to still continue our enhanced outreach to our stakeholders on issues like disclaimers, IDs, the things that we've had recently.

But this focus that I just mentioned is really a new focus on enhancing the education of the public in general about trademarks, about, you know, what people need to do to protect their trademarks. And, you know, all of the press that we all see about, you know, over-aggressive trademarks, trademark owners, all of that is part of that whole context of educating the public about this. So, you'll hear more about that.

Speaking of stakeholder outreach, we had a roundtable two weeks ago, I guess, now, on February 24 and the topic was identifications of goods and services. I'm going to ask Sharon to mention that when she talks later, but basically we have a few goals in mind with IDs. One is to redesign the ID manual because we have heard from many users, both internal and external, that it needs to be revamped to better meet people's needs. It's a little unwieldy. It's hard to use, so we are definitely doing that.

We also want to look at the specific descriptions of goods and see whether changes

can be made in those areas.

And then, another area that we're looking at is having some collaboration with industry groups to try to get information on specific terminology that, maybe, we should be including in our identification manual and working with them to proactively get that rather than having people ask piecemeal to put it in the manual. So, we're going to be working on this entire project. It's a big project and Sharon will be talking a little bit about the roundtable and some of the results from that.

And, of course, we're getting started on seeking input from our internal users of the ID manual: Managing attorneys, senior attorneys, and examining attorneys, to make sure that we consider everybody's needs, and moving forward on this.

More outreach -- we're working with INTA on a series of roundtables for -- and this is for trademark practitioners. We are taking these on the road and it's really focusing on what's going on in the office and

advance practice tips and allowing people to share these with each other, allowing us to share what's going on, and it's really designed for trademark practitioners. INTA is sponsoring this with us, and some of you may have already received notice about the March 19 roundtable we're having here at the office. We had two in New York in January. We're planning one in Wilmington in April, and then we're going to Boston in June. And, you know, beyond there later on in the year, but that's all that's scheduled at the present time. So, if you get a notice from INTA, and you want to sign up, you know, we would love to see you there.

I'm going to move on to a topic that I know has generated a lot of discussion. And that is the non-USPTO solicitations that people have been receiving. They seem to have blossomed in, you know, the past months. We recently put a notice on our website on the Trademark landing page. Some of you may have seen that and, you know, we -- it's a warning. It says "Warning, non-USPTO solicitations that

may resemble official USPTO communications," and we talk about what those communications may include and the fact that they may actually look very much like they're coming from the USPTO or government agency. We point out that any official correspondence from the USPTO is from Alexandria, Virginia, or the domain USPTO.gov. You know, something coming from Los Angeles is not from the USPTO. And it also talks about -- the notice talks about how to file a consumer complaint with the FTC who receives these consumer complaints, and instructs people to contact us at the TM feedback at USPTO.gov. We want to hear about it. We want to hear what happened if you have a client that actually paid that money, we'd like to know it. And so, all of that, of course, you have to look on our Trademark page in order to see that, so that's, you know, that's an issue.

There was a recent article in the L.A. Times that we actually provided a link to on our home page, and it was a good article describing the problem. And then, I also

wanted to let people know we are working with the Department of Justice on a particular company on a particular issue, and I'm allowed to say that it is the United States Trademark Registration Office which has been responsible for a huge number of notices that people have been receiving.

Yesterday we sent a Cease and Desist letter from this agency from our solicitor's office to that company requiring a response and certain documents and information and, of course, demanding that they cease and desist from this practice. And that was based on Section 43(a) since that likelihood of confusion -- since that is really the United States Trademark Registration Office -- have to think for a minute -- it's extremely close to the USPTO. So, I'm very, you know -- it actually just went out yesterday, so I'm happy to be able to report on that to everybody because I think that this company is responsible for many of these notices that are going to people. And if we can get them to stop, you know, we'll have really delved into

this problem in a good way. Any questions on that? Okay.

My next topic -- how am I doing on time? Oh, pretty good. The next topic is the Official Gazette and from time to time, you know, my predecessor and I have talked about the possibility of getting rid of the paper OG. I am here to tell you -- does anyone in this room have a subscription, by the way? Okay, good.

MR. TEPPER: Oh, you got one.

MS. COHN: Oh, Elizabeth. Well, the paper OG is scheduled for extinction. As some of you may know, we don't actually do the paper OG. It's managed and printed by the Government Printing Office. There are only 150 subscriptions worldwide so, if you have a subscription, you are in rare company. We will be giving notice to those subscribers, and it will go away during this fiscal year.

Now, what's really important about this is that having the paper OG, having that printed, and you're all used to seeing that format. It's like seeing a book online,

right? This will enable us to move away from that and to provide much better tools for accessing and searching and seeing what you want to see in the Official Gazette. So, one of the complaints we've heard over the years is, you know, you have to look through the entire Official Gazette to find your mark. You can't just link into it. Well, this will enable us to change the formatting so we can do that.

It will no longer be a paper book that you read electronically. It will actually be a really usable tool, and we're going to spend some time figuring out what the best way to do that is. And this is an area that we will definitely be seeking input into because we want to hear how -- what you want it to be like and what will serve your needs best. So you will hear more about that, but just keep in mind that the paper OG will be going away at some point pretty soon.

The only other thing I want -- well, I have a couple more things. I wanted to mention that a new exam guide came out in

February on disclaimer practice and it doesn't change our disclaimer practice. It simply provides examples and more details on what our practice is. We did that in response to the disclaimer roundtable that we held in June of 2011 where we really wanted to zero in on whether our users wanted to see changes. You know, we even posed the possibility of eliminating disclaimers, or getting rid of the unitary exception, or requiring disclaimers for everything.

What we heard from everyone, pretty unanimously, was that you don't want to see changes. You want to see more clarification and consistency, and so this examination guide should be providing that. And I hope you've had a chance to take a look at it because I think it's really well written and does provide the necessary clarity.

And then the last item I wanted to mention is our Trademark Expo. Some of you -- we even have an exhibiter in the room. Some of you were at our Trademark Expo in October of 2011. We're having it again in October of

2012. The dates are the 19th and the 20th. Please, if you know people that you think might want to exhibit, encourage them to apply. The application is on the website. We're going to have seminars and lots of education features there. This is one way to really reach the public, when we talk about public education, so we see this as a great opportunity. And we had 15,000 people walk through in the two day period last year, so it's great exposure, and we hope to see some of you there.

That is all I've got on my list this morning, but I'll be happy to take questions.

MR. TEPPER: Thank you, Debbie. Are there questions from the committee?

MS. BARRETT-PARK: Maury?

MR. TEPPER: Yes.

MS. BARRETT-PARK: The only question I had was to -- was when you talked about the ID manual and the changes, you know, coming up -- you know, trying to come up with better ways for it to work in the working group, specifically for different industries. Is it

envisioned at this point that those would continue? Because one of the challenges is things change in rapidly evolving technologies. IDs get out of date or there's something new, so will this be something that you would do periodically or it would continue?

MS. COHN: Yes, I totally agree with that. The idea would be to have an ongoing working group that would help us get this information and make changes whenever they're needed.

MR. TEPPER: Thank you for that. I will offer you two of my one-liners that I've sort of been holding back throughout the comments and I want to, sort of, go back and underline two points as well that are serious. So just for this, with the expansion of the Trilateral to TM5, I do hope that we can all look to see if TM5 is going to release a cover of Sea of Love that will compete with the one we heard this morning. Thank you. I came up with that myself. (Laughter)

And I am -- I do understand those

who are moving away from the paper OG but we're looking forward to the increased capabilities, you know, the search functionalities that we'll be able to achieve without paper. I think the only drawback is, of course, the paper OG is the only one that you could read during take-off on the airplane on the way home. So if you're using an electronic device, you'll have to store it until you reach cruising altitude, but other than that I don't think we'll see a lot of drawbacks in that change.

I do want to go back and just encourage folks to help us out with two things. You heard about Craig Morris' new working group and the efforts of the PTO is going to be undertaking to help reach and educate small businesses. This is new territory. Obviously, we are all used to working with the legal community and helping to provide CLE and education for attorneys about trademark issues. But I would like to encourage anyone listening or attending today, if you have contacts with groups that support

small businesses, that reach really the business community, the non-legal side of things, that would benefit from sort of some increased education and training about trademarks, I would encourage you to please provide those names and those contacts to Craig. We'll be happy to take them here and to collect those, but we really are trying to help provide a service and help provide information to a really different set of people than we're used to coming in contact with and being able to educate. So we're going to hope to partner with and participate with a lot of business-oriented groups. And I know Craig would appreciate it if you do have good contacts, if you would share those with us. Yes? Ray.

MR. THOMAS: As many of you may know, back in 2008 the USPTO launched a clinical certification pilot program, and right now 16 law schools are involved in that program. I am responsible for teaching and supervising at Howard University School of Law, and I think that may be a good idea, too,

because some of the law schools are looking for clients and so that may be an idea that we can explore.

MR. TEPPER: Thank you very much for that. And indeed, the clinic programs have been very successful. We've had some law students actually help successfully, you know, assist clients with some matters before the office. So I appreciate your reminding us for that resource.

I'd also like to encourage those in attendance, and I was very pleased to hear we were able to share news about some quick action the PTO is taking in response to these letters from the -- I'll get it wrong, the U.S. Trademark Registration Office, I believe. There have been some others recently, but Debbie mentioned we have a notice up on the website. In fact, the first time I received a letter earlier this week from a client and I think we're used to seeing some of these things, is this for real? I'm always relieved when the clients have enough good judgment to ask and don't take it for granted. The next

morning the notice was up on the PTO's website, so they were right there, at least with everyone else in finding out about the situation and addressing it with some information.

But I would like to remind practitioners, the story in the L.A. Times, I believe, talked about a law firm that had also filed an action. But you all played a role in helping to address these issues. I encourage you to follow up to report information to the FTC, keep the PTO advised and aware of this, but you also play a big role in informing your clients about this. When you learn of these types of notices, I think it does help us very much for all practitioners to help sort of pass the word forward to warn clients about what you're seeing, what to watch out for, and what not to respond to. Obviously, we won't reach the whole world, but I think that it will help to have an impact. And I do want to, again, commend the PTO in taking this quick action, but also encourage everyone here to think about what you can do to sort of be

constantly vigilant, and to respond to, at least, alert your clients and contacts when you see these things arising too.

MS. COHN: Just one further comment I forgot to mention earlier. We are also looking at putting a notice with our registration certificates. So, right now everybody gets their registration certificates on paper though it's very easy to include an additional page of a warning with that. We're also looking at doing with the notice of publication which is more of an electronic fix for most people, but we're at least going to start, very soon, with the registration certificates. So hopefully Registron, this will reach just about everyone who gets their registration certificate directly. Of course, there are those who don't get it directly, and so I'm not sure what we can do about that, but certainly, at least those folks will get it. Thank you.

MR. TEPPER: All right, thank you. With all of that we have just a couple minutes. Are there any questions from the

public today for -- oh, Howard has it.

MR. FRIEDMAN: A few comments.

First I've been to a couple of PPAC meetings and you don't get entertainment there like you do here. And so, I think that's primarily due to the chairperson, so thank you.

Secondly, I would echo Debbie's comments regarding the new Telework program. We're thrilled with the expansion. We're thrilled how well it's working out as evidenced by the number of people in our bargaining unit who have already moved away or coming back less. So, obviously we're a big fan of that and perhaps in the future, in future negotiations, we'll be able to talk about sending people to Hawaii and Puerto Rico and if the movement moves them, Alaska. Third, sort of as a heads-up, our unit is going to do a survey, and we'll be sharing the results with TPAC. And will share them with Trademark management, and hopefully will lead to fruitful discussions.

We, I, our executive board, because of the people we represent, are getting very

concerned about an area and the area is we think discretion is being taken away from our examiners. Whether it's the evidence that people need to submit during first actions, whether it's disclaimer practice, whether it's IDs, and there's a lot of black and white areas in Trademarks but there's plenty of gray areas. And when, for example, you have TQR just in a one reviewer, substituting their judgment for our discretion, we don't think that makes any sense internally for our examiners. And from this group, we don't think it makes sense for the people you represent. It could impact pendency. It could impact quality.

I think about 40 percent of our voting members are former examiners, and whether they were sitting in those shoes then or on the outside now, no one wants to receive a letter from an examining attorney saying sorry, but this case was pulled from publication, or I need to send a revised letter.

When we make errors, we're happy to

be responsible for them, but when there are gray areas and there are so many levels of review, and you're substituting one person's judgment for another, we think that is increasingly impacting our examiners.

So we feel the best way to find out about that in more detail is to survey the bargaining unit. We're putting together that survey. We'll share those results with TPAC, and we'll be sharing them with Debbie and her management team. And hopefully, we'll see what we can do about giving back to our examiners the discretion that we think they deserve. Thank you.

MR. TEPPER: Thank you, Howard, for the update. I'm certainly going to keep my resume on file when the Hawaiian offices open up, but I do, on the serious side, want to commend the office for working on this. We, as you know, representing sort of customers, clients of the PTO, benefit from the retention, the stability, the experience that the Work At Home Program has allowed the office in terms of being able to retain

experienced and talented examiners.

And so, I think, you know, when we hear these updates, it's always important to think about and to remember, you know, how that sort of plays out to our benefit. I appreciate you letting us know about the survey, Howard. When there's information, I know you'll be following up and sharing that with us, and we'll take a look at what you find out.

I think we are actually just about on time. Are there any other questions before we move on? I'll keep us close to our schedule. All right, thank you. And we appreciate the update.

We're going to turn to an International and Policy update from Sharon Marsh. And Sharon, I know that I'm going to butcher your title if I attempt it. Sharon is deputy commissioner, and Sharon is responsible for policy matters here. I should probably have the proper title, but she is a very important lady here. Her team, Duke, will be playing later today so (laughter) we don't

have any comments or results to pass as of yet.

MS. MARSH: My other team, Georgetown, lost yesterday so I'm still recovering from that.

Thanks, Maury. We really only have one issue to cover this morning. Debbie asked that I give everybody kind of a high-level summary of the roundtable that we had two weeks ago today on the ID issues, ID manual and related issues. We thought it was a very good session. All of the major user groups sent representatives, and it was apparent that they had prepared ahead of time by getting input from their members, and they were able to provide us very thoughtful and specific information about how people feel about various issues.

The first topic was the current ID manual and the comments were along the lines that the current manual is difficult to navigate, that it could benefit from more sophisticated search tools, and that, in some cases, the manual has too many entries because

there's a lot of redundancy. The same item is described using different wording and is not really necessary to have the multiple entries.

I think there was general agreement that what we were proposing which is a hierarchical table of contents kind of format for the next manual that would feature drop-down lists, that that would be a desirable format for the manual. And that some kind of automated method of checking IDs, either before or during the filing process, to see if they meet the requirements of the manual could be a useful tool.

Then the discussion moved to the area of the level of specificity of our IDs and our current examination practice. I think everyone in this room can understand that it was very difficult to generalize about how specific IDs should be. It's, obviously, dependent on the industry and the particular item.

There was a suggestion from TPAC that perhaps more fill in the blank IDs could be useful that would allow the user to provide

the level of specificity and custom description that they feel their client needs. And there was also some discussion about whether the office should be using the assigned Nice classification to limit the scope of the goods. The easy example being the ladders, and if it says ladders in class 6, that the PTO would limit that -- would understand that that's limited to metal ladders.

There was also some discussion that our current ID Suggests feature where we allow users to add IDs to the manual through an e-mail box may have unintentionally resulted in examiners making more ID requirements. Because we've added all of these ID Suggest entries to the manual, we have a lot of very, very specific IDs, and so it's not clear to our staff the level of specificity that's necessary. So anyway, we are going to take all this under consideration.

I think what the group very strongly supported, as Debbie mentioned, was collaboration with industry groups, and we've

already taken some first steps in that direction, and we will continue that. And I think, ideally, we would set up long-term relationships where we would have regular discussions with these groups.

Next steps, as Debbie mentioned, the law offices will be having discussions about the manual and what they would like to see regarding the manual and ID practice in general. And we will be moving forward from there. I think it's safe to say that, you know, we will use leverage IT to improve the current manual. That we will continue to try to improve the format and the content of the manual and, where necessary, provide additional training. So, I think the roundtable was a good exercise, and I'm sure we'll be reporting on this at the next meeting.

MR. TEPPER: Thank you, Sharon. This is quite an ambitious undertaking, no doubt about it. And this may be the only audience where we can be passionate about ID issues but I know the people are. Are there

questions for Sharon? Comments, concerns?

James.

MR. CONLEY: Thank you, Sharon, for that update on the international scene. There is just one other question. I notice that in the legislative update section, Dana mentioned that SOPA was effectively, and I quote, "dead for this Congress." But there is another agreement that is called ACTA which, I know, hasn't come out of the USPTO, but we are following this. That means the other countries and how they are assigning or agreeing to this tool, this vehicle. I'm just wondering if maybe we can get an update on whatever is being monitored by that at a future meeting?

MS. MARSH: Okay. Thank you very much. We can definitely put this on the agenda for the next meeting.

MR. CONLEY: Thank you, Sharon.

MR. TEPPER: Okay, next please.

Kath.

MS. BARRETT-PARK: I just want to say, Sharon, thank you on the ID, leading the

charge there because one of the frustrations is that, you know, companies like mine watch every penny even though we're a big company. And the ability to have the ID so we can use TEAS Plus all the time would be fabulous. So I think this is a great initiative, and I'm looking forward to seeing what you come up with. It's terrific.

MS. MARSH: Yes, we very much want to support TEAS Plus. I just saw the statistics yesterday. Cases where the examiner does not have to issue an office action or an examiners amendment, we can track that through out TRAM monitoring system. And it's much, much higher, twice as high for TEAS Plus filings. I believe the current statistics are 17 percent of TEAS applications can be approved on the first action. Thirty-four percent of TEAS Plus actions can be approved on first action. So yes, you'll see us supporting TEAS Plus.

MR. TEPPER: Thank you. And just a brief reminder. I'll put in a plug for TEAS Plus. You heard earlier, of course, although

we've received an excess of 98 percent of applications electronically, there are 25 percent of you who are still not following through with the office electronically. That is a feature of TEAS Plus, and if you look at the statistics on the sort of speed of processing, the lower incidence of office actions, I would just encourage everyone, look into that, and it's a more efficient and quicker process. So if you're not communicating electronically, and you know, we've had some outreach roundtables and discussions, take a look and give some consideration to those benefits.

Other questions, comments about the manual and updates, ID practice? All right. Do we have any questions from the public?

Well, this is my favorite part to announce, folks, we get to take a break. I think we're going to be very good at that. We'll plan to resume here at 10:35. Thank you.

(Recess)

MR. TEPPER: We'll resume the

meeting here. It's always a relief and an encouragement to see people come back to the room after you let them take a break, so I do appreciate that. I will take that as an indication that you are interested in the remainder of what we have to cover today. And, you know, once again, sort of the statement of gosh, we have a lot going on and a lot to update you on holds true.

We're going to turn to Chief Judge Rogers from the Trademark Trial and Appeal Board. Gerry is going to give us an update on, I think, a couple of staffing changes, a couple of new developments, and we'll go over some performance information for you as well. Gerry.

MR. ROGERS: Thanks, Maury. Great to be here again and had great subcommittee meetings yesterday and so, happy to relay to you here today some of what we talked about yesterday.

I want to start with some personnel issues and just bring everybody up to date and, I think, most significant is we've hired

a senior attorney who is also going to be the TBMP editor. That's Cheryl Butler, so she is now in place and working on the TBMP revision, the next revision of that. So that's a very significant addition to our staff, and she'll also be helping with precedential decisions and a quite few other tasks moving forward.

We also have in place, since our last meeting, a senior administrator. That's Deborah Decker, who will be helping us with human resources and IT issues and administrative support. And also, as I've discussed with Kathryn, hopefully, the mining of some of our data from various reports and databases and development of some TTAB Dashboards that we can get up on our website in the future.

Unfortunately, our systems are not quite as developed as Trademarks are and I don't think we can generate a lot of the data very easily, but we're going to be working on that and seeing what we can develop in the future.

I also wanted to remind the group

that Cindy Greenbaum has been appointed a judge at the Trademark Trial and Appeal Board. And unfortunately, we're not getting any production out of her right now because I still need her to manage the attorneys until we get a replacement for her. But we're looking forward to her being a very productive member of the judge corps in the near future.

And we are in the midst of interviewing, and we have applications in to hire a new managing attorney who will replace Cindy and work with the board's interlocutory attorneys. So we're moving on quite a few different staffing fronts.

We're also getting ready to deploy a new quality review unit at the Board. This is something that was in the budget for this year. And if you look at the work that gets done at the Board, if every year the judges produced 450 or 500 decisions, and if the attorneys produce 900 decisions on contested motions, we have a staff of paralegals and some customer service representatives who take thousands of actions on uncontested matters

and updating prosecution history and entries in files and doing all sorts of things.

And we had had no standardized quality review program for that group in the past, but we've been running a pilot for about a year and half now, and that's going to be made permanent. And one of the things that having that group in place will help us do is to get a better handle on prosecution history entries in the TTAB view prosecution histories for our various cases. And as we know from working on the ABI fee cost study that James has been a great advocate for, that is some of the raw material that goes into that study. All of these prosecution history entries to figure out what our people are working on and how they are accounting for their time and what kinds of things are coming in that require staff time. And so, hopefully, that quality review unit can also help us kind of standardize our prosecution history entries and other things in the future, so we'll be able to get better data out of our existing systems. So that's it on the personnel front.

I also wanted to, kind of on the Sesame Street today's letter is "P" theme, wanted to move on to procedure from personnel. And so, we have the TBMP and, of course, as I mentioned, Cheryl Butler is now in place working on the revision of the manual of procedure, and we detailed with the subcommittee yesterday the work that she's doing. And we are hopeful that we will have a revision to the existing TBMP out in or around May, which will be a year since we last revised it, which is much better than the seven years between the previous two revisions.

And so that's something that we -- we've cut off the content in terms of the precedential decisions and the other things that we need to get incorporated in. And so, she's diligently working now on getting all of that material into the manual. And then we will get it to the solicitor's office for approval and OMB approval. And so, that's what we'll be working on in the next few months. Yes, Kathryn?

MS. BARRETT PARK: I just wanted to say in the subcommittee meeting yesterday, we met Cheryl Butler and she gave us an update, you know, a very nice schedule of where she is. She's clearly, having just started in January, really on top of it. And it looks like it's going to be on track to meet that date, and that then there will be more regular updates, probably, we talked about maybe twice a year. So I think her addition is really great, long needed, and I'm glad she's in place. She's clearly a dynamic addition to your team.

MR. ROGERS: Thank you. We certainly agree.

MR. TEPPER: Since we have a pause, Gerry, we're looking forward to the new update out in May, and even using Sesame Street math, one is a much better number than seven. I've got that far.

MR. ROGERS: Very good. And just to finish that point on the manual, even next week we will be meeting with CIO representatives. And Cheryl, and Angela

Lycos, who did the last revision, and I will be getting together to discuss how we can transition into using the RDMS system that we're so thankful that Trademarks and Patents have done all the beta testing and tweaking and improvements. And so, hopefully, it will be a great product for us to work with moving forward. But this coming revision will not be done through the RDMS system, but we will then quickly transition into using RDMS for future revisions.

Another "P" is precedents here and precedents is something that per issuance of precedential decisions where I've got some good news. And we've had 20 precedents issued so far this year. We had 38 all of last year, and so we're ahead of last year's pace. We had 7 issue in ex parte cases,

In inter partes cases, many of which dealt with procedural issues, so those are very useful for those practitioners engaged in inter partes cases before the board. We've got another 6 that are under review now within the PTO, but the board has finished its work

on those. And then there's another 3 or 4 that we're working on. And so, we could easily be between 25 and 30 precedents by mid-year. So that's a good number for us. A very healthy number.

And then, of course, we get to the "P" which is the gorilla in the room and that is performance measures.

MS. BARRETT PARK: Before you go on Gerry, I do want to just say we're really glad to see the number of precedents picking up because that was something, and I know it's been raised in prior TPAC meetings, that the user community greatly appreciates its guidance, additional guidance, and particularly on things like procedural issues. So, it's commendable that you've been able to really step that up because last year was not a lot, and so it looks like you're on target to almost double that. So, that's really, really great.

MR. ROGERS: Yes, the goal is 45 to 50 decisions, so I'm sure we're going to meet that goal, if not exceed the high end of that

goal. Of course, I do have to say that a lot of this is, kind of, luck of the draw. It depends on the issues that come up and the cases. And we've just been fortuitous where we've had quite a few interesting cases bringing up interesting procedural and substantive issues. And hopefully that will continue, but we're always actively looking for opportunities to issue precedents on the issues and the subject matter that we know the Bar would like to see precedents on.

Talking about performance measures, I just wanted to briefly touch on this, this first slide. This is just incoming filings that are coming in the front door. I think as in the last few meetings we've had with the TPAC, it's kind of a mixed picture where over the last couple of years oppositions were up in Fiscal '11 but appeals were down. Cancellations were kind of steady. So in looking at oppositions over the past 10 years, even with the oppositions going up in Fiscal '11, they're still significantly down from the bull years of the mid-2000s when the economy

was booming.

And so, stuff that's coming in the front door is an indicator of what kind of work we can expect the interlocutory attorneys to have to face in terms of motion practice. It's not necessarily a good indicator of what the judges are going to have to be working on because that's going to be further down the road. But I did just, kind of, want to make the point that while things are a little uneven and some figures are up and some figures are down, I think we can expect that everything is going to start to pick up. As the trademark filings have been picking up, we can certainly expect more consistent increases and not this kind of some things go up, and some things go down, in the future. So we're going to be keeping an eye on that, a close eye on that.

I just wanted to jump ahead quickly to the motion practice slide. Here again, we've got good news. We've -- and you notice I'm stressing all the good news at the beginning of my presentation. And we're at

6.7 weeks pendency in the first quarter of this year. And a very significant -- almost 35 percent of the cases involved phone contact with the parties in disposing of the motions, so that's certainly something that we stress.

I will note that there's an increase, though, in the number of motions that are awaiting decision and so we're certainly cognizant of that backlog. And we had, over the last year and half or so, because the filings coming in the front door were down for oppositions and cancellations, we weren't seeing as much motion practice. But now that they're starting to pick up a little bit, and we're starting to see the backlogs, we weren't replacing attorneys as they were getting promoted to judge positions, but we're going to have to rethink that moving forward and we may have to re-assess staffing in the very near future among the attorney corps. So I just wanted to make sure that you knew we were aware of it and, you know, we're monitoring the situation closely.

But now I will go back to the other

traditional pendency measure besides motion practice and that is final decisions that the judges are working on. And so, this is not a good news slide. This is one where pendency has been increasing, clearly, and our backlog of cases, both appeals and trial cases awaiting final decision by the judges, has been increasing.

And it's a little hard to understand because, again, with filings, appeal filings being down, for example, and some of the work coming in the front door being lower, we're not quite sure why, but there's a lot more cases coming out the back door and waiting for judges to decide them. And I don't know if that's because there's more appeals that are not going away based on requests for reconsideration. Or there are parties who are not financing motion practice, but they are advancing their inter partes cases so they can get decisions on the merits, and they're financing trial more than motion practice so they can get decisions on the merits. It's hard to say but we do know it's unequivocal

that there is more work for the judges to do.

And I think we had a very fruitful discussion in the subcommittee yesterday about a wide variety of things that we can consider in terms of attacking this problem. And certainly we have to think about whatever we can do to increase productivity from the existing staff. And I will point out on that score, that among the 18 judges that we have, almost a third are within their first couple of years on the job because we've had so many retirements in recent years. And so, a number of them are still ramping up in terms of their production. But we're going to look and see what we can do to assist those newer hires among the judge corps, and even those senior judges among the judge corps, to increase the number of decisions that they are producing.

And some of the things that the Patent Board, for example, has worked on in recent years are standardizing formats for decisions, thinking about an equivalent of the Federal Circuits Rule 36, or per curiam, or shorter decisions in cases that we think are

particularly clear and where the examiner, perhaps, has done a really good job in detailing the grounds for the refusal so that the Board need not add as much to a decision that would dispose of the appeal. All of these things are things that we've been thinking about and discussing.

I think we also have to rethink not just how we can make our existing people more productive or change the methods in which they work on cases to be more productive, but also think about our personnel and our staffing. And whether we can -- whether it's clerks or detailees or other things, we have to think about other options of getting more hands, more hours in at the Board. Anything and everything is certainly something I'm willing to talk about in terms of pushing this.

Also, for trial cases which tend to take up a lot of time, and as we were discussing in the subcommittee meeting yesterday, when there's a lot of motion practice in trial cases and there's a lot of discovery, you often find parties who then put

all that they've discovered into a trial record because they figure if they discovered it, they should put it into a trial record, even though a lot of it may not actually be very probative of the merits of the case.

And so we're very hopeful that pushing accelerated case resolution and streamlining options for cases will help us focus parties more on using stipulations and not using as much discovery, and we'll have trial proceedings, as we move forward, that will be much more useful and much more efficient.

And in that regard, we're beginning to see some traction on the ACR front. I wanted to point out on the ACR slide that for each of the last two fiscal years, we had six cases work their way through and be decided on the merits after going through some form of accelerated case resolution. We've had three in the first quarter of this year. We have one more that went out in February, and we've got three that are being worked on now. So, by this year, by midyear, we will have

exceeded the number of final decisions issued in cases that went through ACR compared to last year.

We still see a lot of fluctuation in the overall pendency of some of those cases. Some of them don't seem like they're very accelerated. We see the figure in the first quarter, 189.3 weeks, which is not far off from some of the traditional cases. But when we have parties agree to ACR after they've engaged in a lot of discovery and a lot of motion practice and a lot of summary judgment practice, then the timesavings are not so great. So the trick for us -- we seem to be getting more people thinking about it, but now we've got to get them thinking about it earlier in the proceeding and then we'll start wringing more savings out of this.

MS. BARRETT PARK: I just wanted to say a couple things. Yesterday we had a very good discussion in the subcommittee meeting and two things I wanted to pick up on. One, as you said, there's likely to be increases in your workload based on what you see happening

in the Trademark side of the house. It would be great to think about additional staffing now because we would like to see the pendency numbers go down, but also to prepare for what's likely to be an uptick in the number of cases you're going to have to consider.

I also think on the ACR front, and one of the things we've talked about is presenting it in a way so that people don't see 189 weeks and think oh, my god, that doesn't work at all, to slice the data in ways that show -- what you've done on this slide, is to make it very clear to the public and call it an ACR case, even if someone opts for ACR two and half years into the case which is what's been happening.

And along the lines of the roundtables that the Trademark Office is having with advanced practitioners in concert with INTA, I really think it might be an opportunity working with INTA or IPO or AIPLA or some combination of those organizations to do some roundtables with advanced practitioners who've done ACR or who are

amenable to ACR. Because I think there's a lot of interest in coming up with cost-saving ways to resolve cases. And I know, when you read in New York Times that people are spending a million dollars on TTAB proceedings, it's no wonder pendency is as high as it is because that means you're having the big law firms in New York, you know, deluge the judges with all sorts of documents. And that's not good for their clients, and it's certainly hard on the judges. So I think some combination of more education about ACR, and really ramping up on staffing in whatever creative ways you can, and I know that TPAC -- I think I can speak for TPAC, we would absolutely support that.

MR. TEPPER: Yes, Linda, go ahead.

MS. MCLEOD: I just want to echo Kathryn's comments that ACR is something I think that TPAC and the outside bar organizations really want to support and would love to see more roundtables. And also something to consider is whether the Board can take proactive ways to alert parties when they

think that a case is appropriate for ACR, but the parties may not have yet considered or discussed it with the Board. It could be something as simple as putting something underscored in an order in a particular case if an attorney thought it was appropriate.

And another thing about ACR is the flexibility, I think, is really important to maintain -- flexible timeframes when parties can elect ACR. Although these numbers may not seem that favorable, I know that it's huge cost savings for parties, even when they elect ACR later in a case after a discovery or summary judgment. If you can save the costs of depositions and massive trial briefs, it's still a benefit to have ACR even later in the proceeding. So, I hope that the flexibility continues.

And lastly, on the staffing, I fully agree with what Kathryn said. I think it's -- these numbers, although some of them indicate their numbers are going down, it looks like extensions of time to oppose were up fairly significantly in FY11. Oppositions were also

going up.

And more important is it seems that maybe cases are going to trial -- a greater percentage are going in trial in both the ex parte and inter parte cases. And what that means is more workload for these judges, and some of them are already facing big, big caseloads. So perhaps considering more judges would be helpful for those backlogs in the future.

MR. TEPPER: Thank you for that. You know, I will amplify. I, too, read the article in the New York Times which my personal opinion only, was interesting and potentially misleading for some other reasons. But I noticed the figure of a million dollars on the TTAB proceeding, and I suffice it to say, cringed at the thought of what that record must look like. And if you all truly are dealing with records that size, I think we'd certainly want to support any appropriate staffing to help you wade through those materials. I'm simply glad I did not have to read those myself.

MR. ROGERS: Well, we're very thankful for all of the expressions of support and certainly staffing is an issue that is on the table, as well as anything else that we can think of to deal with backlogs.

And on ACR, to follow up, I think we have had quite a few cases where our interlocutory attorneys, working with panels of judges perhaps on summary judgment motions or other potentially disposed motions, have made suggestions about ACR. And so I think that that's a good thing to note and that we'll try and stress that. And I do want to reiterate that while we do want more parties to think about adopting ACR earlier on to maximize the timesavings, I don't think we'll ever shut anybody out from ACR. Because even for a case that has generated a very significant record on, say, cross motions for summary judgment, if the parties can avoid having to resubmit all of that material or similar material at trial, and instead then opt to use that as a trial record, it still is significant in terms of the savings to the

parties and to the Board. So I think we'll always welcome any adoption or election of ACR no matter when, but we'll just try and encourage many parties to elect it earlier rather than later to maximize their savings.

And I guess also on ACR, we had talked at the roundtable in November about having an ACR roundtable. At this point, I would just want to let the committee know that I'm thinking more in the June timeframe, after we finish the revision of the TBMP and after we have replaced Cindy and gotten a new managing attorney in place. Because I would want the new managing attorney to be directly involved in that roundtable because that person will be responsible, in large part, for pursuing the ACR promotion in the future. So, I would certainly want to have that person on board first, and then after we do that roundtable here in ACR, I'm certainly willing to think about doing a road show presentations on it.

And we have made presentations on ACR at other Bar Association meeting and

programs. I've done a number of them myself and Judge Cataldo has done some and we'll continue to stress it whenever we have the opportunity.

MS. BARRETT PARK: I think that's great and I would think that it might be really interesting to get lawyers who've participated in ACR to be in some of these roundtables because I think often they're very convincing to their peers when they show that they've adopted it, and it's worked for them. So that might be something we could explore is getting some of those folks to participate with you or other judges on these ACR roundtables.

MR. ROGERS: I agree. It's like the -- certain online and social media platforms, you know, when you sign up for things and you check the box and say yes, you can signify that I've accepted and I will attend. And so, one of the things we've tried to do is put up cases on our website where parties have used ACR, so that others will be able to go and look at those cases and see who has adopted

it, and that they're not the first one to the party, or the first one to accept the invitation. But I think putting a face on some of those cases, Kathryn, would be a great thing to do. Yes.

MR. TEPPER: Yes. And just to, sort of, I know, Gerry, we're gong to move back on with, sort of, your comments. But at -- to drawback to ACR for a second, because I appreciate the sort of longer-term efforts that are going on here, we certainly need to encourage, you know, wider use.

I was pleased to hear, just on the overall performance metrics, you're thinking about staffing and how these can be addressed. And we certainly do support this. My Sesame Street word, I suppose, would need to be "Pronto" though. Yesterday is probably not too soon for some of these changes. You know, if we can move beyond the sort of we're thinking about it and we have some good ideas, I think that the types of numbers we're looking at, you know, certainly we want to see those trends reverse. I know you do too, so I

just wanted to at least place an exclamation point there on the desk before we move on. To say, you know, in addition to sort of having these good thoughts, we'd really like to start to see some, you know, some steps taken to try to address that.

MR. ROGERS: The other "P" word that comes to mind is Please. And I think of the Dickens scene and maybe I have to go to the Director and say more, sir, please, and see what we can get. But anyway, I think that's it for me for today, but if there's any other questions, I'm happy to take them.

MS. BARRETT PARK: The only other thing I wanted to make sure that was reported in this meeting and I know you have these numbers, Gerry, is the progress on the old cases -- the old rules cases. Because I think that is another piece of good news.

MR. ROGERS: Yes, in terms of cases that are still pending under the old rules, we started monitoring these more diligently in September 2010 and at that point we had 720 cases that were still pending under the

previous version of the rules for inter partes cases. That's now down to 268, so we've had a significant decrease in the number of those cases and, obviously, we want them all to go away at some point.

The most significant reduction is one we worked really hard on and that is the number of cases that are suspended for settlement which is down from 270 cases to 58. And we're trying to get all those cases either settled or into trial. And there's not much we can do about cases that are, for example, suspended for civil action or they may be on appeal. But for the cases that we can push the parties to either settle them or move them on, we've been trying to do that.

MR. TEPPER: All right. Thank you. Are there other comments? Other questions for Chief Judge Rogers? Any questions from the public today? All right. Thank you, Gerry, for your time and certainly we'll look forward to seeing where we stand when we meet next.

Now we are going to turn, as you know is appropriate for the 21st century, to

the high-tech portion of our presentation. We're going to have an update from the Chief Information Officer's office. I'm pleased that we are now joined by the OCIO, by our CIO, John Owens. And also by Raj Dolas who is our -- Raj, I again apologize for mangling your title but he is the project manager, the director, of Trademarks Next Generation. So, gentlemen, thank you.

MR. OWENS: Thank you. Good morning. So, okay. Well, glad to be back with you all and thank you very much. Sorry I could not attend the last couple of meetings personally, but I left you in good hands with my deputy, and of course, Raj.

So, as you know, it's been quite a challenge with some of our Legacy applications to get them to work, particularly the examining attorney application called FAST 1 on the new universal laptop. We have deployed 176 non-FAST 1 Trademark users, so mostly non-examining attorneys and one group of examining attorneys that volunteered to be guinea pigs for us.

And I would say that for those that aren't using the FAST product at home, things are working out very well. The feedback we have gotten is the quality of the voice mail, the e-mail, the collaboration tools, the video conferencing, has been outstanding compared to what it used to be. The product on the machine is very, very, very fast, particularly on campus. However, there are still intermittent issues with FAST 1.

So, we are continuing to track those down as we find them. I think that we are working on figuring out the last of these issues, and every time we've found one, we've been able to fix it. So we aren't stuck in any manner, way, shape, or form. It's just a long-term Legacy product that's largely unsupported anymore even down to the core language that it's written in.

MR. TEPPER: John, thank you. I certainly don't want to interrupt the flow but just for our audience and those who don't work with the program or aren't examining, maybe you want to just mention what FAST 1 is so

they'll know what we're talking about.

MR. OWENS: So, FAST 1 is the Trademark application that examining attorneys use to examine marks. There's also FAST 2 which has more of a -- how would you describe it -- there would be a different clientele inside of Trademarks that do more administrative work on the Trademark applications.

MS. COHN: FAST 2 is used by our post-registration area; the non-preregistration examination. It's used by others in the office. FAST 1 was developed exclusively for examining attorneys, and then we started developing the systems for other Trademark employees and that was called FAST 2.

MR. OWENS: Yes, a lot of people get confused. I know I did when I first got here, that 2 was a replacement for 1. It was just like version 2, but it's not. It's a completely separate application. Any questions about this before I move on?

Okay. So, we did have a deployment

that did not go as planned, and it's worth notating that there was a plan back in November of last year to modify TEAS 4.9 to take in multiple e-mail addresses. And with successes, I'm always happy to talk about the mistakes we make. We do have bugs, and this is somewhat normal. Though we were, I'll be honest, I was a little embarrassed about this one. In January we discovered that there was an issue when you entered multiple e-mail addresses to get notifications. We always delivered the notification to the primary and, in many instances, to everyone on the list but not all. Unfortunately approximately 10,000 e-mail addresses were impacted. No data was lost. The primaries always received notification, but we had to go in and fix the back end. Actually I like to credit Gary Cannon from Trademarks to come up with a great idea on how to fix this without impacting the front-end software, particularly FAST, since that's already undergoing some issues that we currently have, and is in need of being updated by having the back-end send out

notifications.

So we're in the process of doing that work, and we'll get this patched shortly. Our apologies there. So I'm going to hand the broken remote control over to Mr. Dolas now, but before I do that, I'd like to know if anyone has any questions on these topics or any others for me? I'll stay here, but if you have any questions, I'll be happy to answer them.

MR. TEPPER: Thank you, John. Are there questions, comments from the committee members?

MR. FRIEDMAN: I don't have a question but at least in the public forum, I want to thank the attorneys in law office 104, or to use your term, the guinea pigs, for working on the universal laptop to make it better, to make it workable. And then, in addition, I want to thank the other people: Julie Watson, Nick Coleman, Marty Fromm, David Toley, and then especially Jordan Baker.

MR. OWENS: Yes, thank you from our team to yours to make this product better for

everyone. We definitely agree. Thank you very much for being those guinea pigs for us. We need them. It's important.

MR. TEPPER: And John, it's refreshing in the government to have someone who's willing to step up and take the blame, even for the remote not working, so that's -- not sure if you intended that but I do appreciate that.

I do want to add, this is, you know, we all know when it comes to rolling out new developments and changing an IT infrastructure, I think the best one can hope for is for people to be a little disgruntled so, you know, recognizing that it's always a difficult environment to need to work through change.

I want to thank the folks both in Trademarks who have provided really good feedback, have the patience to kind of work through and try to address these issues, and the CIO's office for working with them. It's not an easy project. I don't expect that it will be, but I'm glad that we're making some

progress; that we have a way forward. I'd love to say there won't be any other bugs that you'll need to tell us about, but we're encouraged that as they're coming up you guys are getting to them, and we want to encourage you to keep doing so.

All right. Any other questions or comments before we turn to Raj? Okay. Thank you.

MR. DOLAS: Okay. Good morning, everyone. When I was here the last time we talked a lot about architecture and all the work that we're planning to do for Trademark Next Generation. In summary, I want to say -- I'm very happy to say we've been making very steady progress towards achieving all of our goals towards architecture. And then planning out for the Trademark Next Generation application.

The business architecture team has been fantastic. It's a superb team that they finished their work last year. They created the business capability maps and the HEAT Maps out of that. And that work that was done last

year. And by the way, the Trademark folks; the senior managers, managers, managing or training, are part of this business architecture team. So they know their business very well, obviously.

And we use this architecture, the business architecture, as a foundation for all the IT work that we're going to do in Trademark Next Generation because we want to make sure that the IT can accomplish and fulfill the business vision that has been laid out as part of the Next Generation. So the data architecture, the application architecture, all the architecture work that happens in IT has been using business architecture as a foundation. We want to make sure that we accommodate and accomplish the vision that business has towards NG.

The data architecture really has been very crucial because not only does it map the "as is" scenario, what is being done today, to the "to be" which is the Next Generation architecture. But at the same time, they are also trying to understand how

we can take the data that exists today and migrate it to the Next Generation system without any loss. The application architecture has been progressing very steadily. We have finalized certain key components, and we're in the process of finalizing other key components that are necessary to do this work. Any questions on this one? On the architecture?

So here is exactly what happened last year -- last four months now. There are two main projects in our infrastructure work. The two main tracks: one is infrastructure improvement, and the other one is application development, or functional and technical improvement, as it's called in our CIDB.

We have a project called Separation and Virtualization. In this project what we plan to accomplish is to separate Trademark infrastructure from other infrastructure that is in our data center. While we're doing that we want to virtualize the servers that we're using that will reduce the footprint and energy consumption that these servers do. We

have migrated five systems so far, mostly back- end databases and such. We're on track to migrate five more by July of this year, and we plan to migrate the remaining 15. The work will continue in Fiscal Year '12 and will go into Fiscal Year '13. We hope to finish that work sometime in Fiscal Year '13, probably second quarter of that.

The benefit that we will have when the separation and virtualization is complete is Trademark systems won't be dependant on other systems. Meaning there will be not impact on Trademark systems just because other systems may be resource hogs or may be coming down for whatever reason. So Trademark systems will not have an impact on it. So, it will improve the stability and availability of the systems.

The second program we have in here is Infrastructure Improvements. We also like to call that, as business tools evaluation. In order to build good quality software, we need to make sure that the plumbing, the foundation that needs to be installed in place

for the software to run on top of, is adequate. At the same time, it's flexible and extensible for the future needs. We have gone through an evaluation process for this foundation, plumbing, and all the other business software tools that we'll need. We're finalized on what we call a technology stack that we'll be building on top of.

In addition to that, we're also evaluating commercial off-the-shelf products for managing cases; the case management products, as they're commonly called. We are very excited about some of the things that we have seen in the commercial product space. We started out very skeptical. We're still very cautious at this point. We want to make sure that any product that gets selected for Trademark Next Generation can manage all the business capabilities, either right out of the box or simply minor tweaking of the software. We do not want to customize any commercial product that we buy because that always fails in the long run, especially when you go into release and upgrade cycles.

Here are some of the other projects that we are doing on the applications side. The TRAM migration prototype -- what we want to accomplish in this one is to come up with a plan for migrating our mainframe. That is the core of the current applications. We want to make sure that the plan that we have is completely vetted, assessed properly by a vendor that we have hired. And we have a prototype from the vendor that tells us how we can move forward when we start the work, the actual work, in the later part of this year.

The software that gets developed in any of the prototypes that we're executing, we'll want to make sure that that software is not a throwaway software. We want to take that and build on top of that when we start executing the actual projects.

The authentication and authorization prototype -- what we want to accomplish with this one is providing our users a very simple way of logging into Trademark Next Generation. Currently you have multiple applications that you need to log into before you can proceed.

In Trademark Next Generation, what we want to do is the user logs in once and once only. And all features in Next Generation will be available through that one single sign-on.

We'll also want to do role-based access so any time a user logs in, we instantly know who the user is and the features that are available to that specific user. So, the screen that is presented to that user is tailored specifically to that there role. So managing attorneys will see a slightly different screen versus an examining attorney. We think that's very important because we don't want to build multiple systems. We want to build one system that interacts with the user based on their role.

The Trademark quality review system -- this was an application that was developed last year and an initial version was released in December that focused on a small segment of the Office of Quality Review. That group was post- registration. We'd released a limited version, if you will, in production environment. There are some extensions that

need to be added to that such as (inaudible) compliance and some other minor enhancements. After these enhancements are done, we will put this application on hold for a little while until we catch up with the priorities of Trademark Next Generation. And then we'll continue sometime, probably, in Fiscal Year '13 with this.

Trademark status and data retrieval is our cloud application. The first version was released last year in December. It built on top of Trademark Document Retrieval, TDR, as it was called back then. What this application does is provides a single stop, or one stop for all documents that users are interested in. Currently provides trademark bibliographic data. We're enhancing the application to provide assignments and TTAB document as well in this application. In addition to providing all the documents in one location, users have the flexibility of looking at the data in a standard based format, in an XML document. Also the look and feel is also very nice. It's a very

modernized look and feel there.

One other addition that we're going to do, as far as enhancement goes to TSDR, is building hooks into this application as we develop services now, so we can support any electronic Official Gazette in the future. So we're building some foundation for EOG, as we like to call it, as we move forward in this application.

User center design is very critical for Trademark Next Generation. As the name implies, the entire user interface, as well as the applications that we'll be developing in Trademark Next Generation, will be determined by what users tell our vendors. The vendors will interview the users. The users will tell our vendors what they need from these applications, how they would like the applications to behave, and that will drive the development of, not only the user interface, but the supporting services to drive the user interface for that. We have started a prototype. It will last for three months. We just started it in February. It

will last for three months. At the end of the prototype, Trademark and OCIO team members will select a vendor, or probably vendors, to develop the actual user interface for Trademark Next Generation. Any questions so far?

Okay. This is a really busy map. I apologize for that. It's supposed to be on an 11 by 17 but. This is not a very different map than what I've used in my past sessions. It is -- what I've done is kind of reorder the way things are presented here. And I've added more business capabilities and value stream. This is a terminology from business architecture on the bottom of the slide. What we're trying to do is to understand and highlight the business units that will derive benefits by developing these applications. And those business units are on top in the blue bars. And the business capabilities and the value streams are on the bottom in that big gray area.

I'm not going to go over this in detail but the point I'm trying to make with

this map is we have a priority that we're going to adhere to, and that's highlighted by the applications and the way we're going to develop. And the corresponding value streams and business capabilities are where the actual software development will occur.

I believe that's all I have. Any questions?

MR. TEPPER: Thank you. Are there questions? Questions, comments? Let me, Eric, let me make sure -- see if anybody on the committee has questions. And quickly we'll get a microphone up for you, as well. James?

MR. CONLEY: Thank you, Raj. And so, I was thinking back on what were some of the initiatives that began about a year and half ago, and I noticed here that we had 25 systems that were separated. And then there's the virtualization step. Where on this map does that virtualization begin? I imagine that's where we're moving to the cloud because I remember some of that was part of the foundation. Maybe that's different.

MR. OWENS: Virtualization doesn't necessarily mean to the cloud.

MR. CONLEY: Okay, that's what I need help with.

MR. OWENS: Virtualization means that multiple servers live on the same piece of physical hardware. Okay? There's also a large porting effort. See, one would think that if you wanted to separate, it would have been most easy. Well, you just go out and you buy the duplicate piece of hardware, and you take all the Trademark applications and you put it on that piece of hardware. And the other piece of hardware can run the Corporate or Patent applications, and you separate it. Except the hardware sold, you can't buy it anymore.

MR. CONLEY: I remember this conversation.

MR. OWENS: So, what you have to do is you have to buy a current platform piece of hardware and then migrate and upgrade the software to work virtually on the new environment. Unfortunately, a lot of sins are

discovered that way. Software that wasn't written appropriately to handle this because it didn't exist at the time that the software was written has to be heavily modified to then live virtually in the same environment, less multiple instances of the piece of virtualized software collide with one another, and the system crashes. It is not desirable to buy individual pieces of hardware to run everything because then your failure points multiply.

So, virtualization allows you a way to not only scale but manage in this environment. I can tell you that the original effort, and we have been plugging away at it and had some success in virtualization and separation, we thought it was going to be a lot easier. But unfortunately, the length of time and the stability and overall architecture of the Legacy environment has proven to be very difficult to migrate. Does that explain?

MR. CONLEY: Yes. So, I mean, we've tested, I think, 10 of the 25 systems? Is

that --

MR. OWENS: I think we've migrated 10. Tens finished? Ten are finished.

MR. DOLAS: We've migrated -- we completed 5 last year.

MR. CONLEY: Okay.

MR. DOLAS: We're in the process of migrating 5 more. And we will complete that in the next few months. But the second effort of migrating the remaining 15 systems, it's not sequential. We're going to do them in parallel. So, we'll start with some of the remaining 15 systems at the same time as the second set of 5 is being done.

MR. OWENS: Again, this is -- we started all of them. We've been running along with many of them. It's 5 done, 5 almost done. I mean they're, you know, have to be tested and vetted, and the rest will continue. But it's a long, complicated, and arduous process. It's not just you pick it up from here, you duplicated it, and you put it away, you're done. It's not like that.

MR. CONLEY: No, we anticipated that

you would be rediscovering these challenges of the past. And I just wanted to make sure that this is the best effort of where you think you're going to be when you actually rediscover all the remaining sins in the 15 systems that haven't been --

MR. OWENS: No. This -- I don't -- is that on here at all?

MR. DOLAS: Yes. Separation and virtualization.

MR. OWENS: Where's separation and virtualization? I can't even read -- oh, it's in the middle of the platform toward the bottom. That one project -- the rest of the projects that are outlined here are the work on the other Legacy product applications, as well as the future applications. So this is all of Trademark Next Gen down to the most minute detail, at your request, that we could possibly generate with any level of realism and accuracy. And as time goes on and we learn more, it becomes more accurate. So this is as up to date as Raj could get it.

MR. CONLEY: Thank you, John. Thank

you, Raj.

MR. TEPPER: Thank you. Are there other questions from the committee? In that case, I know we have at least a question from the public. Eric, if you would like to come on up and take a microphone. If you'll just punch the button, that'll come on so we can hear you.

MR. PELTON: Thank you. My name is Eric Pelton. I was wondering if you could address some questions about TSDR from the outside public users perspective. And specifically that would be whether there's plans for TSDR to incorporate a static link for each record, each serial number, like TAR does today? There's a great benefit to this, as a practicing attorney on the outside, to be able to send a client or somebody else a link to a specific record without having to send them to a page and a number and an instruction to then pull down the record. As TSDR is today, I believe that functionality doesn't exist, or at least I haven't seen it.

Second related question would be

when the anticipated sunset of the TARR system that TSDR now incorporates is planned for?

And then, finally, a suggestion would be to work with, as these developments proceed in the future, to work with outside user groups and the public to provide as much notice as possible about the new systems coming on board and the old systems going away. Because of the way lots of people do business, lots of software applications run, it has a great impact on people. And I know a lot of people were taken by surprise when they heard that TARR might be gone relatively soon. Thank you.

MR. OWENS: So, you know, we are always looking for the future. We realize that in conjunction with Trademarks, that we need a plan before we sunset a public interface that it has to be announced. I think the right amount of time there is somewhere between 6 and 12 months. And we will be working with Trademarks to formalize those plans, but as of right now, the Legacy products are not going to be sunset in the

immediate future. But in the medium to what some consider long-term -- I think anything about a year is long-term in my business -- we are going to look to do that.

The new system is based on what's known in the technology arena as REST technologies which means the URLs are repeatable but also configure. Well, if you've ever gone to a website and you'll see this weird nomenclature with an ampersand and a bunch of things and an equal sign and it gives you a reference. That means that you can re-use that URL and always get back to where you were going to what is considered dynamic content. The technology exists there.

What we have not done is had a, I guess, a real reason to describe it to anyone except for us internally which I am also open to do. There's no issue there. I have been made aware of applications -- I think one of them is named Feathers -- yes, thank you Gary for nodding -- that is put out and several others that would like the knowledge of this technology. And I'm always open to publish

the specification that we use internally.

The TSDR website, of course, uses these technologies already. And a savvy person with a little bit of computer knowledge could always hack it and find it. I mean, it's not hidden in any way. So I think we learned a lesson here. We needed to proactively tell our consumers, who are a lot tech-savvier than we had thought, how to interact with our environment through a third-party application, something that most of us didn't realize until afterward. And we need to properly notify.

So, will you be able to get back to a piece of static content? The technology is there in existence. You'll need a way of doing it and remembering what those are. Because a number, as a matter of fact, or a series of combinations of letters and numbers to get back to a piece of material isn't really relevant or easily generated by a human being and it's remembered by a computer. And of course, the notification, we'll be fixing it. Does that answer your question?

MR. PELTON: I think that's helpful.
Yes, thank you.

MR. OWENS: No problem. I'm happy to take suggestions, too, by the way. You can always contact myself or my office, and I'll give you a business card before you go. Happy to hear what people like, and I know Trademarks would like it too.

MR. TEPPER: Great. Thank you, Eric, for good comment and the input. Are there other questions from the public? Okay. Gentlemen, we appreciate that.

Obviously, earlier in the day we saw the, sort of, budget presentation. And Raj, I am pleased that we were able to talk about, sort of, some of what we're now able to see and use and appreciate in terms of your efforts. I think a lot of times it's, and I don't know if this is a good analogy, but I'll attempt it. When you're building a house or watching construction, you know, for the longest time nothing seems to be happening as the foundation's being laid, and you wonder why is that hole in the ground sitting there

for so long? And then, all of a sudden once things start to come up. It seems to happen rapidly. I certainly hope the analogy applies.

But we'll look forward to continuing to see the benefits. I will mention, obviously, we understand there's an \$18 million budget for the projects, so you know, and I'll simply state we're banking on you. And we do look forward to seeing how the investment will pay off for those who use the system. All right. Thank you, gentlemen, very much for your time.

At this point, I have simply one minor announcement. This, I think, is already -- we mentioned this at our last meeting. I'll remind everyone. Our next public meeting will be scheduled for Friday, July 13th, same time, same location. The subsequent meeting will be on Friday, October the 5th. So, if you want to clear your calendars to make sure that you're available and that you don't miss any of those contributions. If you would like to send me a suggestion for music in the

morning and a soundtrack, if you have questions or comments, please do feel free to send those along. And I'll just ask if there are any additional comments, questions, from the public at this point? All right, hearing none, I want to thank everyone for their attendance and participation. This public meeting is adjourned.

TPAC members, if you'll stick around for me for just a couple of minutes, we have a couple of matters that we need to discuss in Executive Session. But, thank you, and that will conclude our public meeting.

(Whereupon, at 11:39 a.m., the PROCEEDINGS were adjourned.)

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CERTIFICATE OF NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA

I, Stephen K. Garland, notary public in and for the Commonwealth of Virginia, do hereby certify that the forgoing PROCEEDING was duly recorded and thereafter reduced to print under my direction; that the witnesses were sworn to tell the truth under penalty of perjury; that said transcript is a true record of the testimony given by witnesses; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this proceeding was called; and, furthermore, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Notary Public, in and for the Commonwealth of Virginia

My Commission Expires: July 31, 2015

Notary Public Number 258192