

**UNITED STATES
PATENT AND TRADEMARK OFFICE**





Patent Public Advisory Committee
Quarterly Meeting

USPTO Budget Update

Tony Scardino
Chief Financial Officer

August 3, 2017

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Agenda

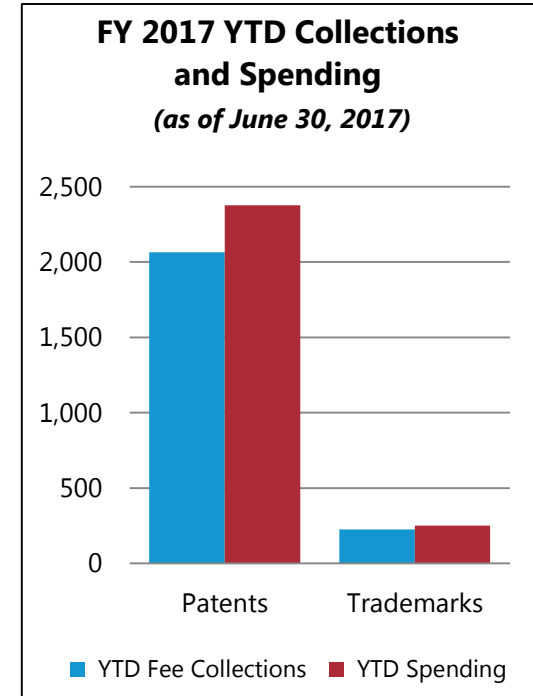
- Enterprise Services
- FY 2017 Status
- FY 2018 Budget
- FY 2019 Budget
- Fee Review/Fee Rulemaking

Enterprise Services

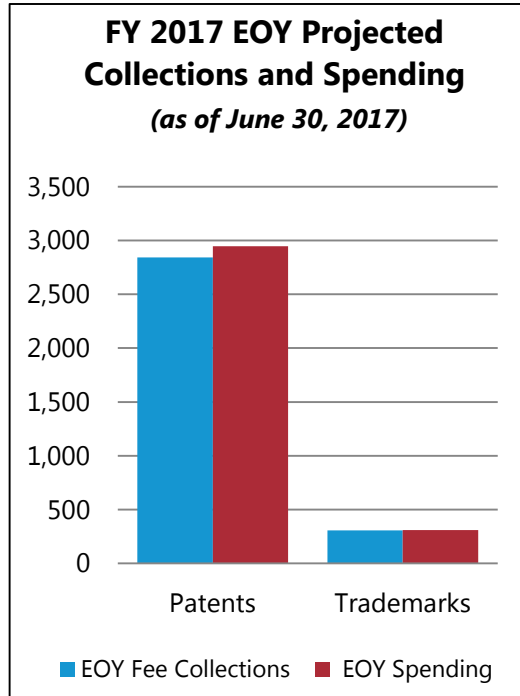
- Status on USPTO and Enterprise Services

FY 2017 Status

- As of June 30, 2017
 - Planned fee collections: \$2,350M
 - Patents: \$2,122M Trademarks: \$228M
 - Year to date fee collections: \$2,291M
 - Patents: \$2,066M, Trademarks: \$225M
 - Year to date spending: \$2,627M
 - Patents: \$2,377M, Trademarks: \$250M



FY 2017 Status *(continued)*



- As of June 30, 2017
 - End of year projected fee collections of \$3,147M
 - Patents: \$2,841M, Trademarks: \$306M
 - End of year projected spending of \$3,255M
 - Patents: \$2,946M, Trademarks: \$309M
 - End of year projected operating reserve of \$390M
 - Patents: \$279M, Trademarks: \$111M

FY 2018 Budget

- The FY 2018 President's Budget was publically released on May 23, 2017
- The fee collection estimate is \$3,586M
 - Patents planned fee collections and other income is \$3,274M
- The Patent business line budgetary requirement is \$3,176M

FY 2018 Budget *(continued)*

- The budget places a high priority on items related to the Patent organization including:
 - Optimize the Patent workforce and maintain focus on mission-critical tasks in examination
 - Continue to align Patent Trial and Appeal Board capacity with workload projections to meet performance targets, including statutory trial proceeding deadlines
 - Increase investment in the Patent IT Portfolio. This reflects the continued development and successful deployment of new IT capabilities

FY 2018 Budget *(continued)*

- DoC Secretary Ross' appropriation hearings before the House and Senate CJS subcommittees occurred on May 25, 2017 and June 8, 2017
 - Both hearings focused on other bureaus within the Department
- The House issued its Committee report on July 13, 2017
 - Recommends appropriating \$3,500M based on the estimates from the Congressional Budget Office's
 - This level is \$86M lower than the FY 2018 President's Budget request

FY 2019 Budget

- USPTO received guidance on formulating the FY 2019 OMB submission in July
 - The agency is preparing its FY 2019 Budget for OMB's initial review in September 2017
 - PPAC will be provided a summary of this information to review

Fee Review/Fee Rulemaking

- The Chief Financial Officers (CFO) Act of 1990 requires USPTO to review its fees every two years
- USPTO conducted a fee review beginning in 2015
 - This review resulted in the initial fee proposal for setting and adjusting patent fees that was published in the Federal Register in October 2016
 - The Agency is now finalizing its rulemaking package
- USPTO initiated the most recent biennial fee review in January 2017
- Absent Congressional action, the USPTO's fee setting authority under section 10 of the AIA will expire on September 16, 2018

Questions and Comments

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