

Patent Public Advisory Committee Meeting

Patent Operations



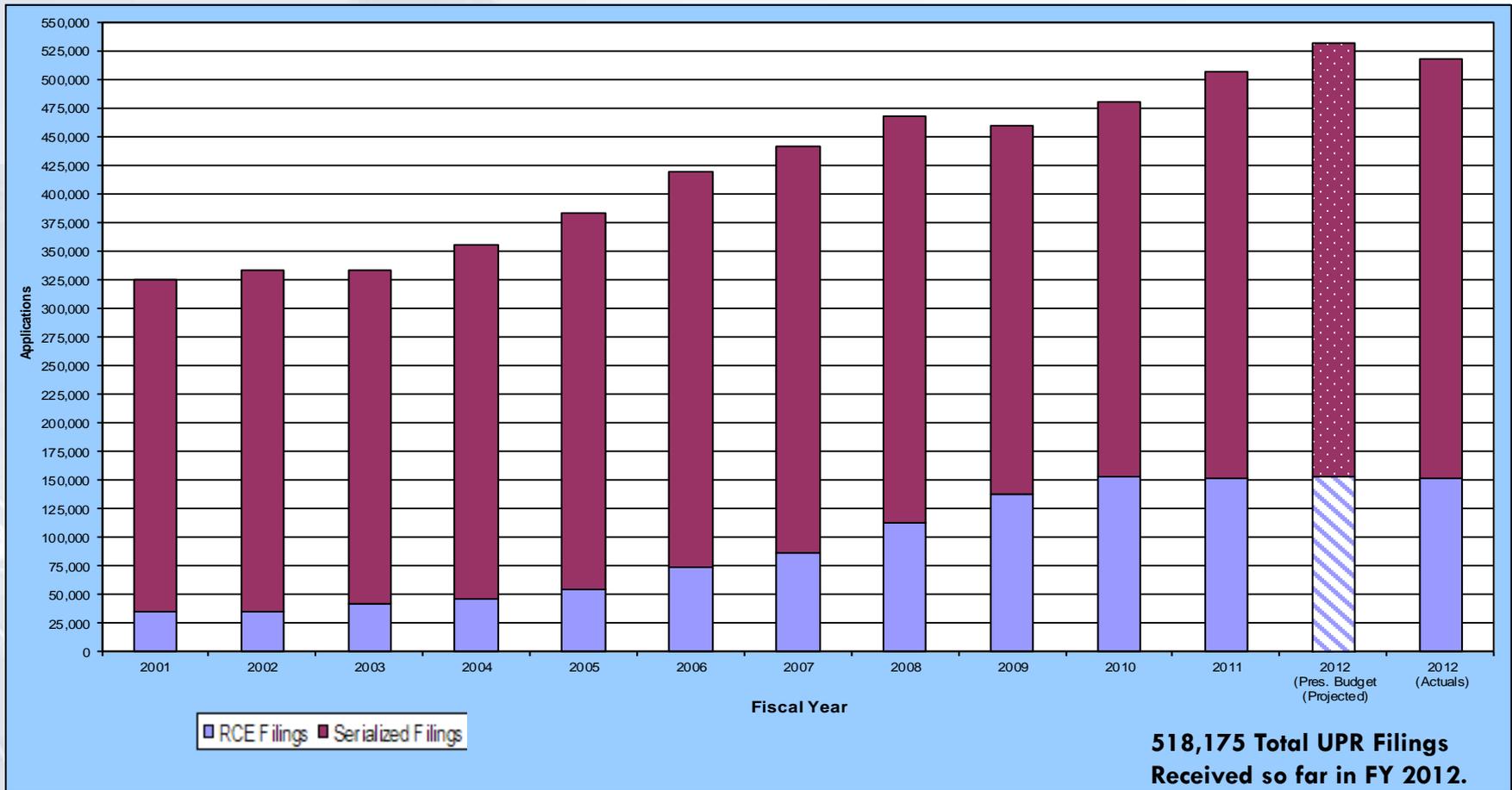
Andy Faile

Deputy Commissioner for Patent Operations

September 27, 2012



Total UPR and RCE Filings FY 2001 – FY 2012 (through September 24)

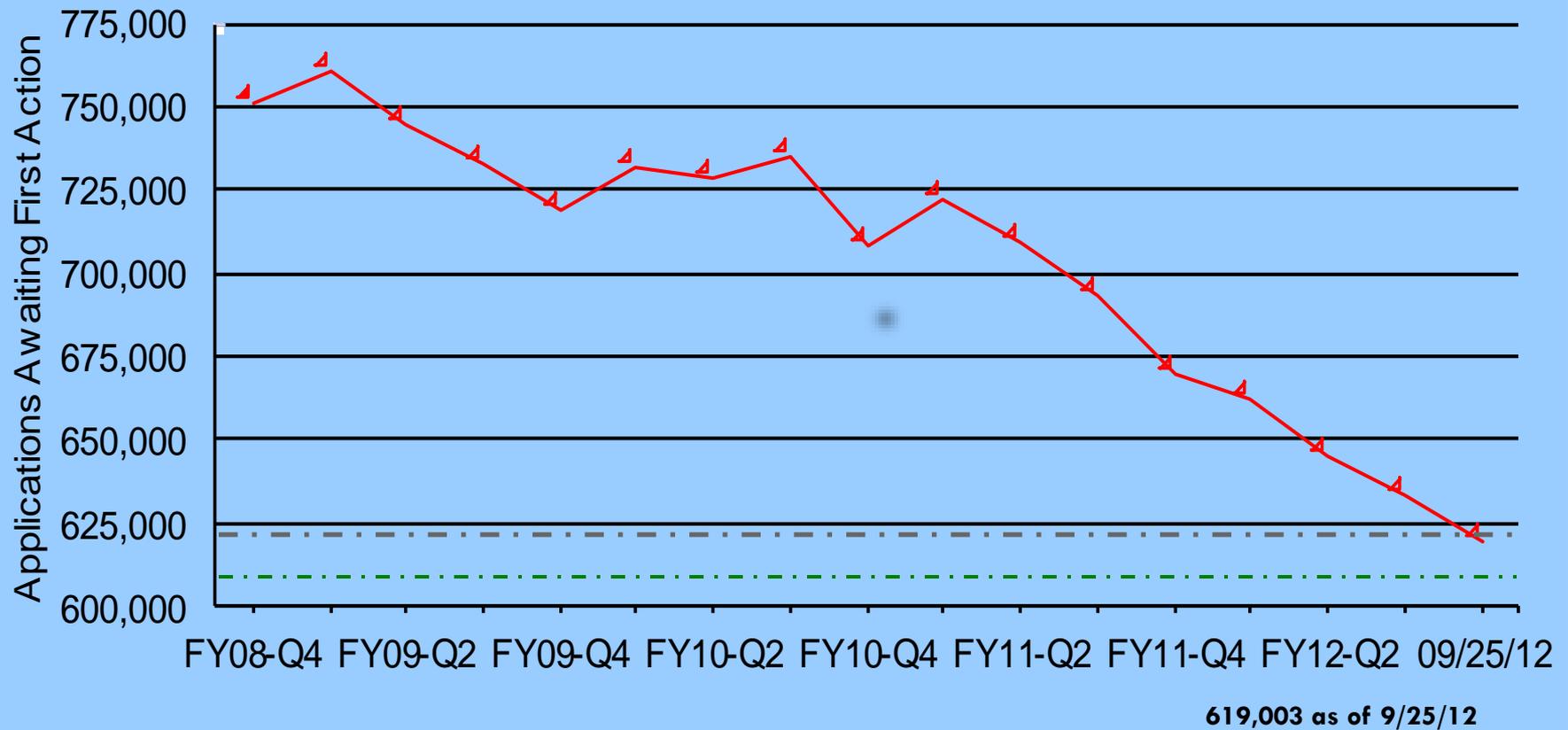


FY 2012 Target based on 2013 President's Budget: 533,300 (5.2% Projected Growth over FY 2011)

FY 2012 Total URR filings through August are currently 6.1% above FY 2011; RCE filings are 4.2% above FY2011; FY 2012 Serialized filings are 6.9% above FY 2011



Unexamined Patent Application Backlog FY 2009 – FY 2012 (through September 25, 2012)

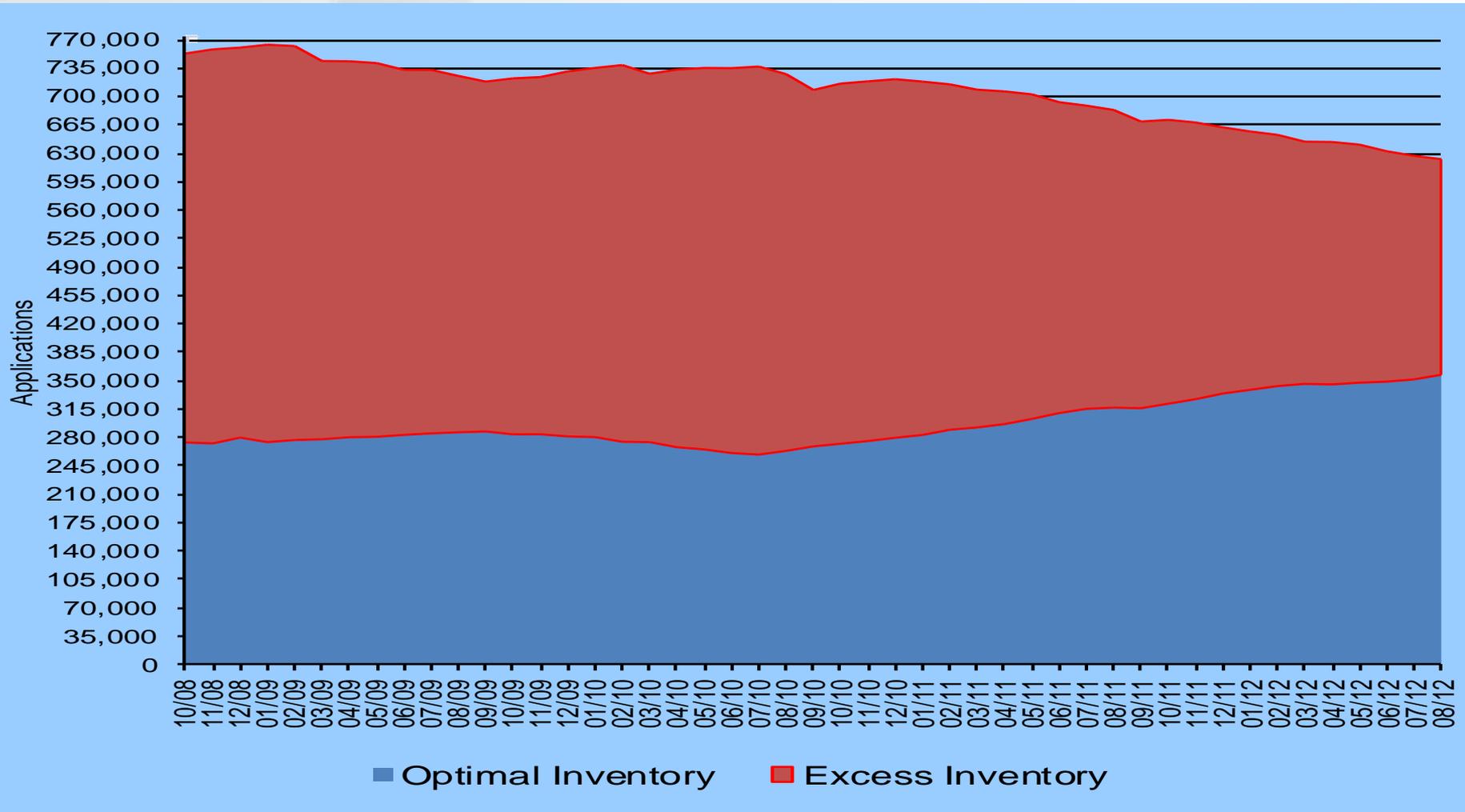


..... FY 2012 Target (2013 President's Budget): 621,800 – Includes Cooperative Patent Classification (CPC) Production Adjustment.

----- Target Less CPC Adjustment: 615,000.



Excess and Optimal Unexamined Patent Application Inventory FY 2009 – FY 2012 (through August 2012)

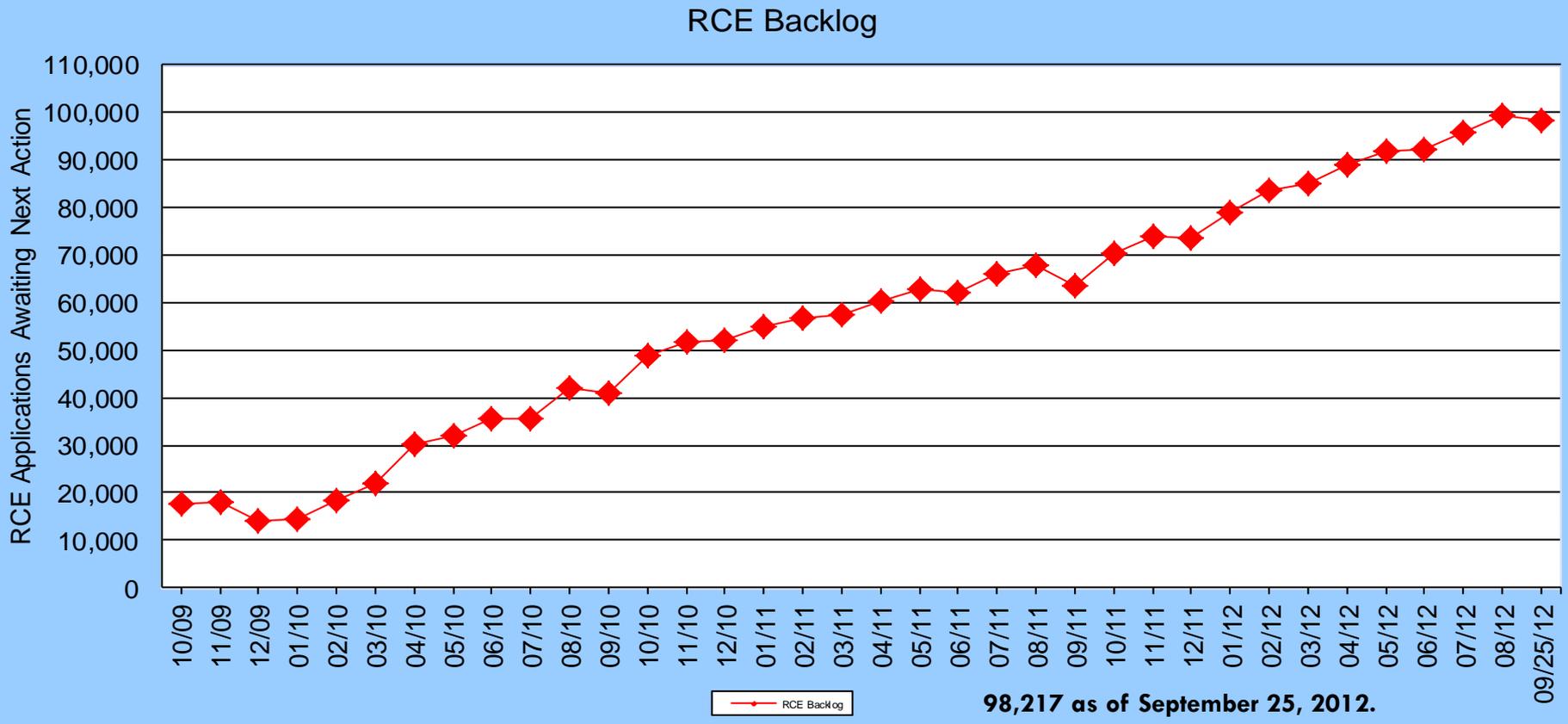


265,875 Excess Unexamined Applications as of August 2012.



RCE Backlog

FY 2010 – FY 2012 (through September 25, 2012)





Breakout of the RCE Backlog as of September 25, 2012

Breakdown of RCE Backlog	<= 1Mth	>1 <=3 Mths	> 3 <= 6 Mths	> 6 <= 9 Mths	> 9 <= 12 Mths	> 12 <= 15 Mths	> 15 <= 18 Mths	> 18 Mths
Number of Applications	12,982	16,823	18,289	13,994	9,796	7,451	5,423	13,460
Percentage	13.2%	17.1%	18.6%	14.2%	10.0%	7.6%	5.5%	13.7%



Reducing RCEs

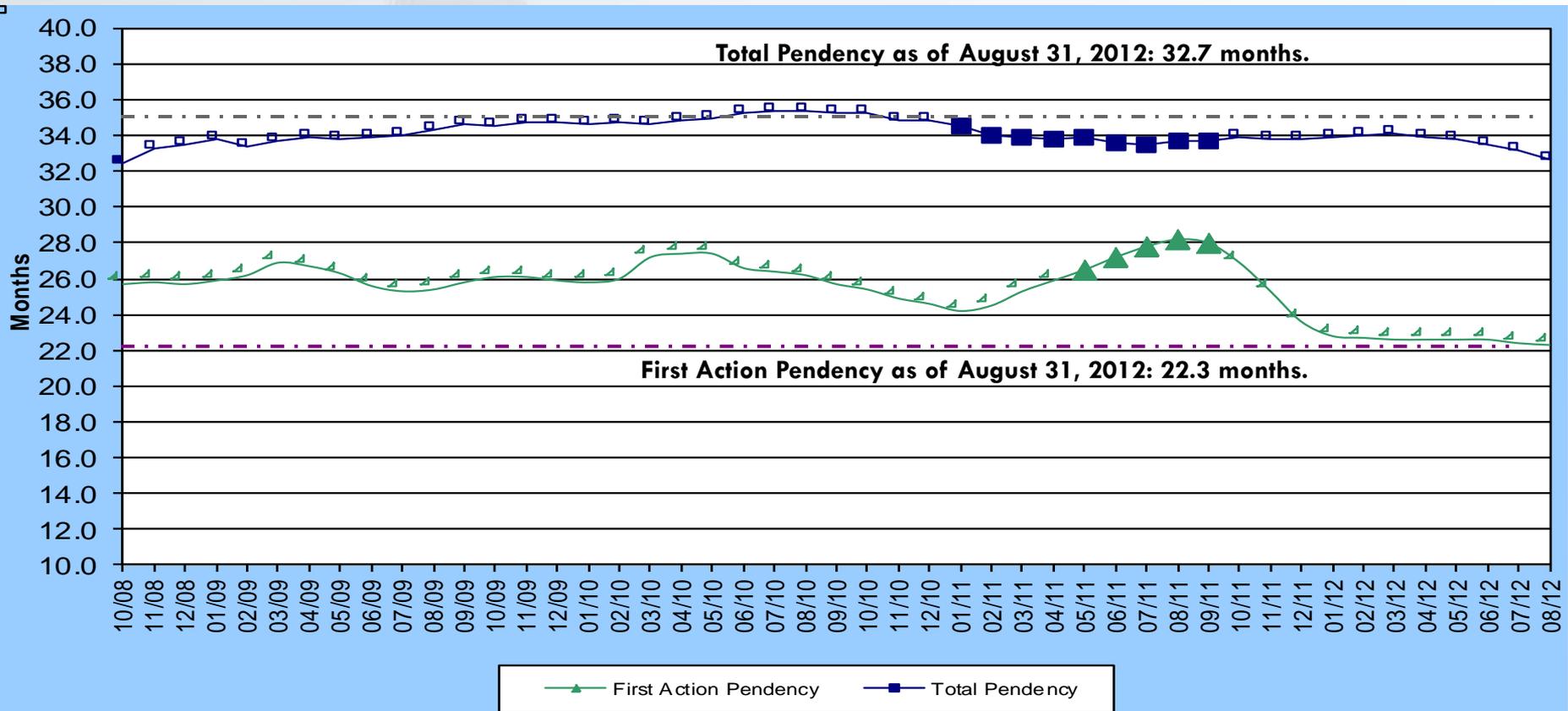
New Pilot Programs
(AFCP, QPIDS)

RCE
Leveling
Plan

RCE
Outreach



First Action Pendency and Total Pendency FY 2009 – FY 2012 (through August)



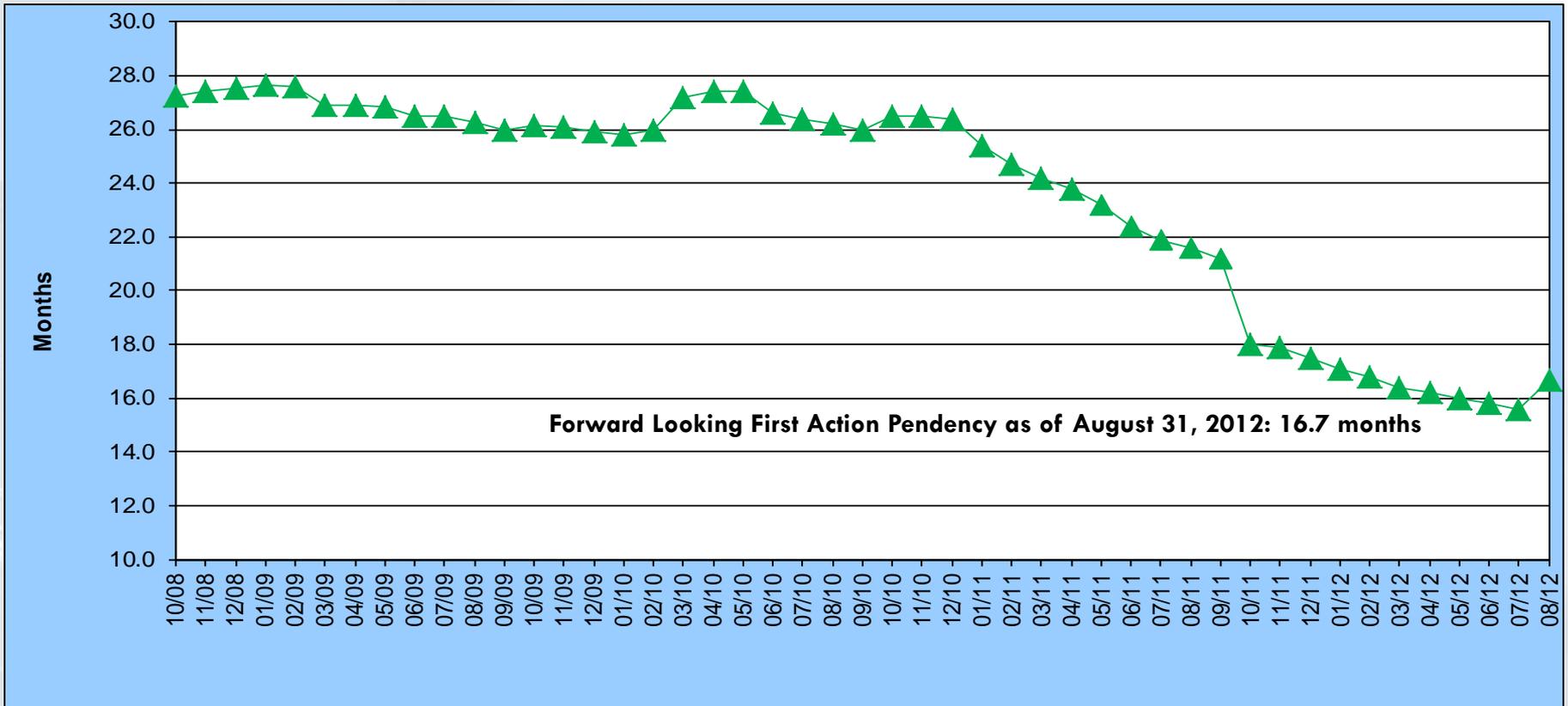
--- Average Total Pendency FY 2012 Target: 34.7 months

--- Average First Action Pendency FY 2012 Target: 22.5 months

(Average First Action Pendency FY 2012 Stretch Target Less CPC Adjustment: 22.3 months)



Forward Looking First Action Pendency FY 2009 – FY 2012 (through August)



Forward Looking Pendency represents an estimate of the average number of months it would take to complete a first Office action under current and projected workload and resource levels for an application filed at the given date.

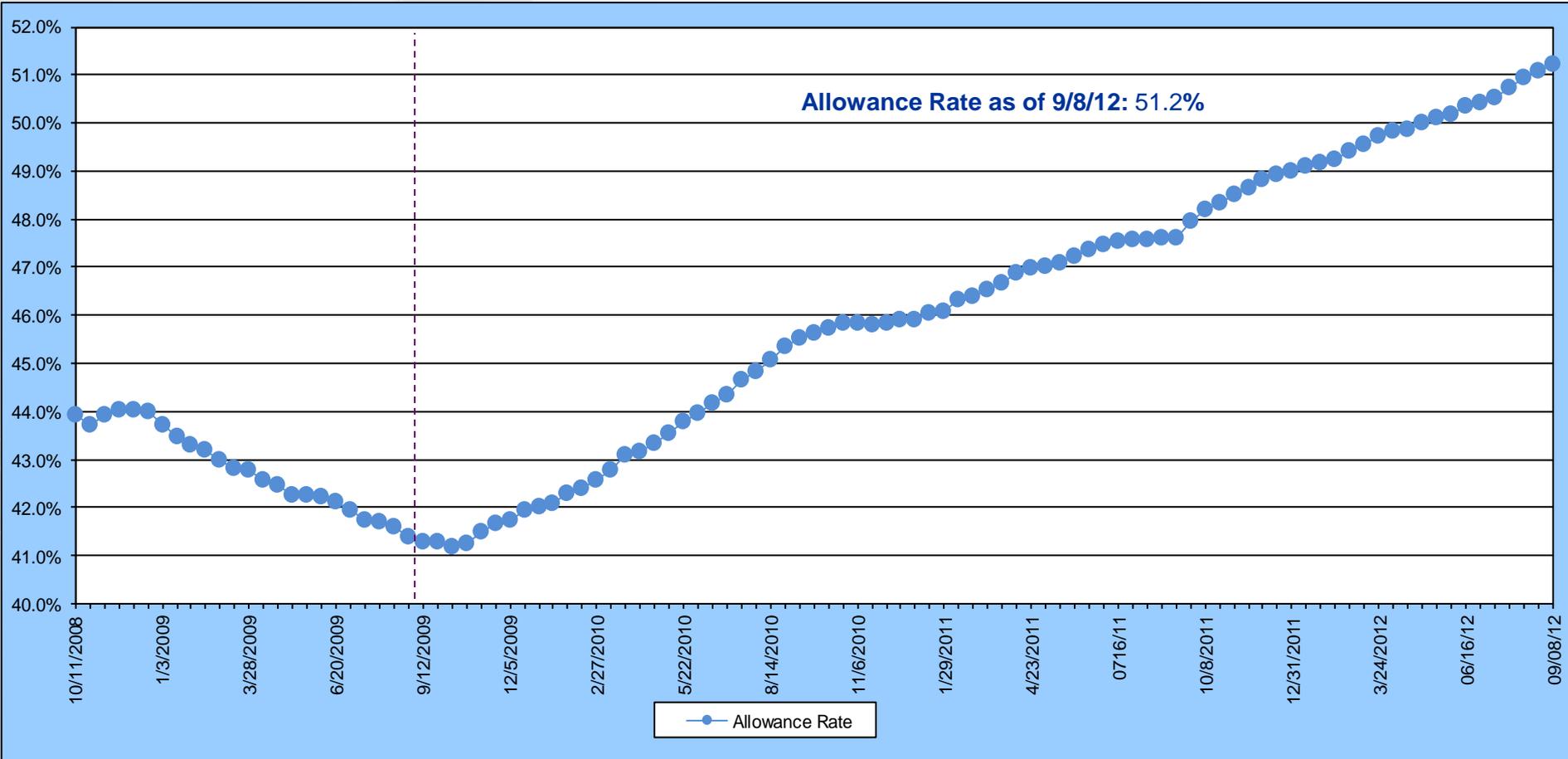


Percent of Terminal Disposals Having at Least 1 Interview



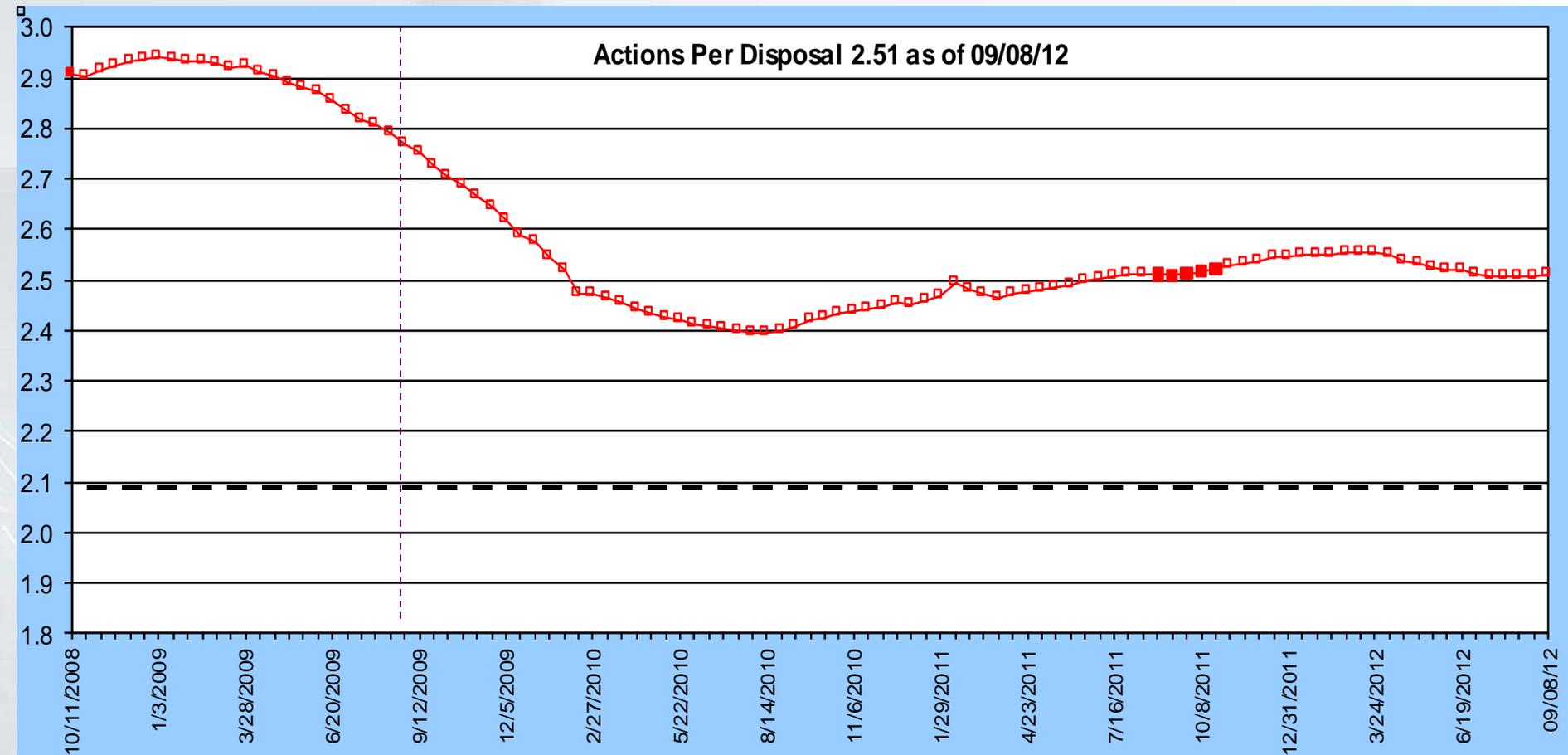


12 Month Rolling Average Allowance Rate, by Bi-Week FY 2009 – FY 2012 (through September 8, 2012)





12 Month Rolling Average Actions Per Disposal FY 2009 – FY 2012 (through September 8, 2012)



----- **Actions Per Disposal Target**

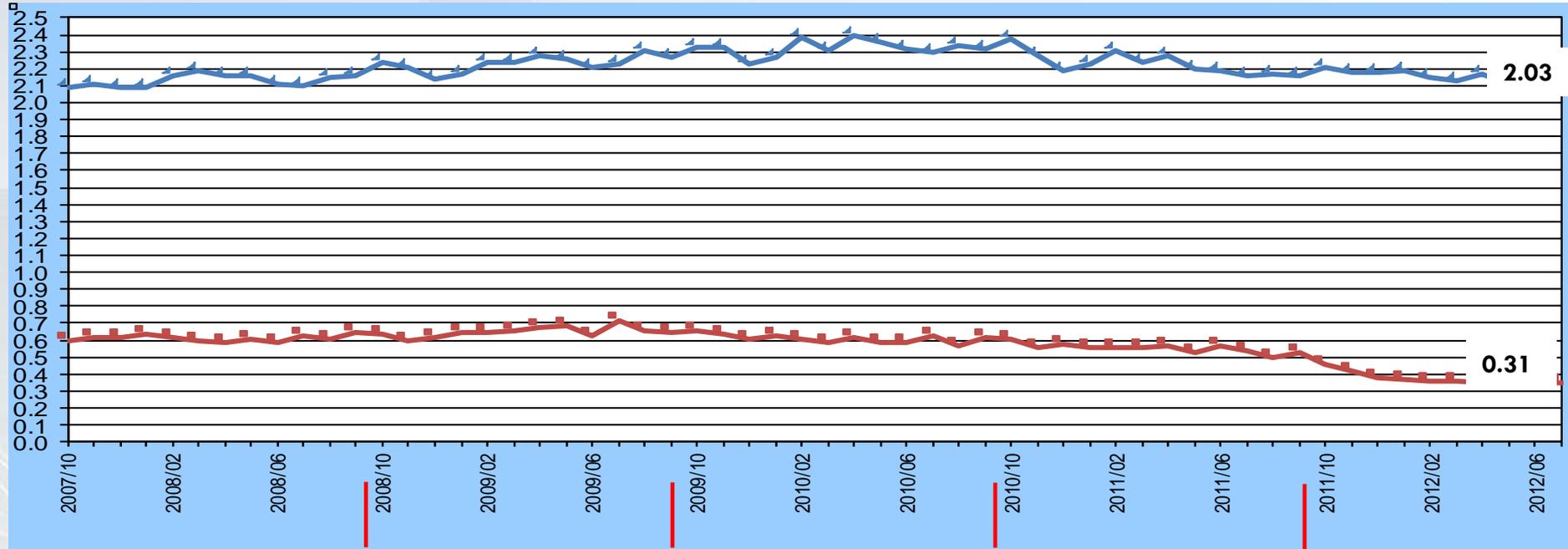
Sustained decrease in actions per disposal is a positive indicator – issues are being resolved efficiently



Rejections in Terminal Disposals by Month

Miscellaneous Actions in Terminal Disposals by Month

FY 2008 – FY 2012 (through August)



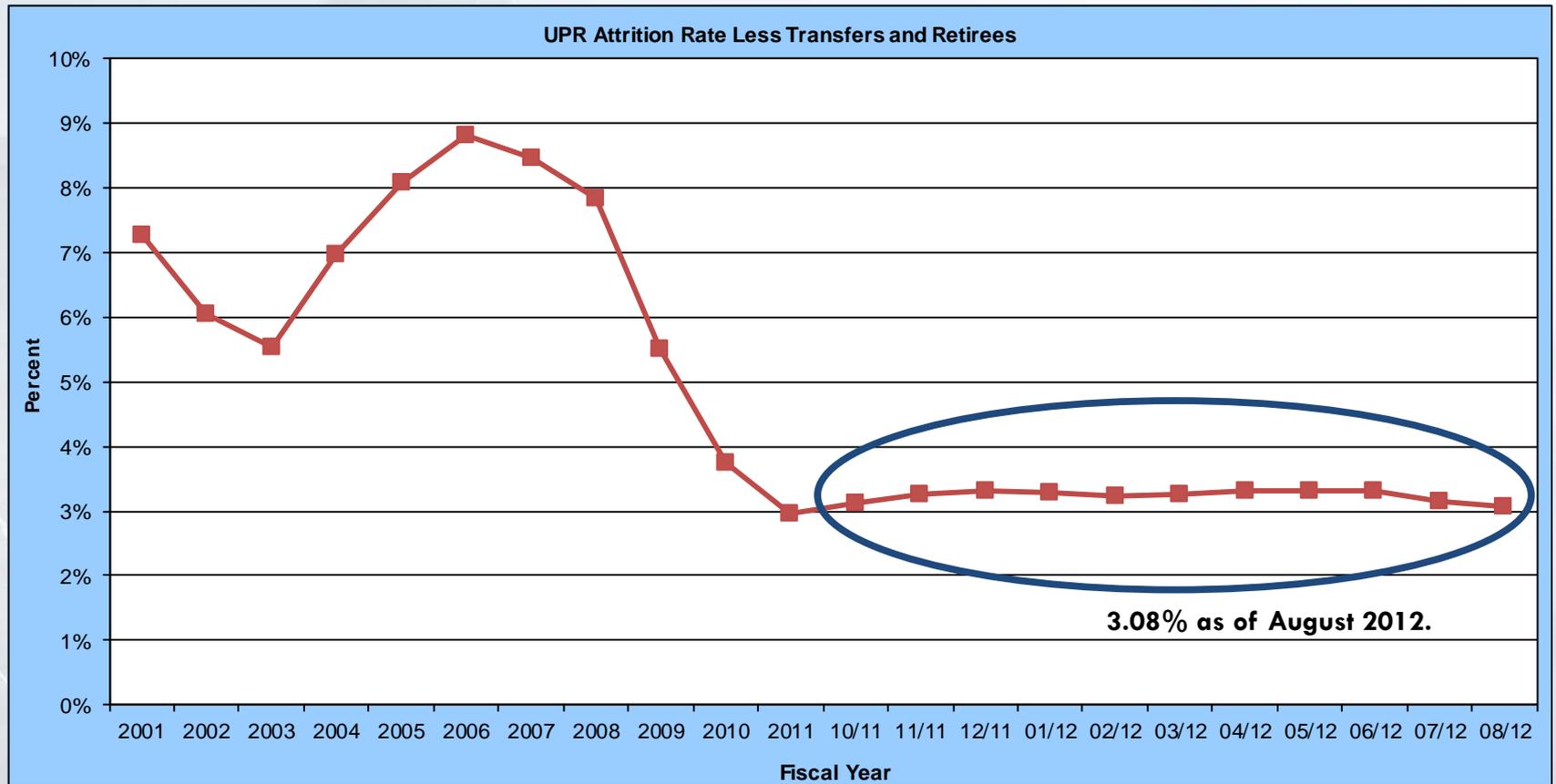
— Represents the end of a fiscal year.

Actions included in the Rejections in Terminal Disposal calculation include non-final rejections, final rejections, and FAI pilot. A Terminal Disposal is an application either issued or abandoned. The filing of an RCE is not counted is not included in the denominator; however, a rejection after an RCE would be in the numerator.

Miscellaneous Actions in Terminal Disposals include the following actions: Mail Restriction Requirement, Mail Notice of Informal or Non-Responsive Amendment, Mail Ex Parte Quayle Action (PTOL - 326), Mail Appeals conf. Proceed to BPAI, Mail BPAI Decision on Appeal - Affirmed, Mail Notice of Restarted Response Period, Mail Miscellaneous Communication to Applicant, Notice -- Defective Appeal Brief, Mail Non-Compliant Preliminary Amendment, Mail Notice of Informal or Non-Responsive RCE Amendment, Mail BPAI Decision on Appeal - Affirmed in Part, Mail Notice of Required Fees Due, Mail Supplemental Non-Final Action, Mail Supplemental Final Rejection, Appeal Dismissed - Mailed, Mail Pre-Interview Communication, Mail First Action Interview Office Action, Mail Independent Rule 105 Communication, Mail Supplemental Restriction / Election Requirement, Mail Letter Requiring CRF (Unreadable, Non-Compliant, Not Submitted), Notice -- Defective Notice of Appeal, Mail Notice of non-compliant drawings filed separately, Mail Post-examiner ans. com, Mail Reconstruction Notice - Pending Application, Mail - Order By BPAI, Mail Formal Drawings Required, Mail Noncompliant First Action Interview, Mail Suspension Due to Interference in Another Application, Mail Pre-interview First Office Action, Mail Supplemental Ex parte Quayle Action, Mail Incomplete CPA Notification, Mail Incomplete Response to Sequence Rule Request, Mail Non-Bonafide Response to Sequence Request, Mail Oath of Declaration Required, Mail Notice of Formal Drawings Required, Mail Notice of lost Image document



12-Month Rolling Average UPR Examiner Attrition Rate Less Transfers and Retirees FY 2001 – FY 2012 (through August)

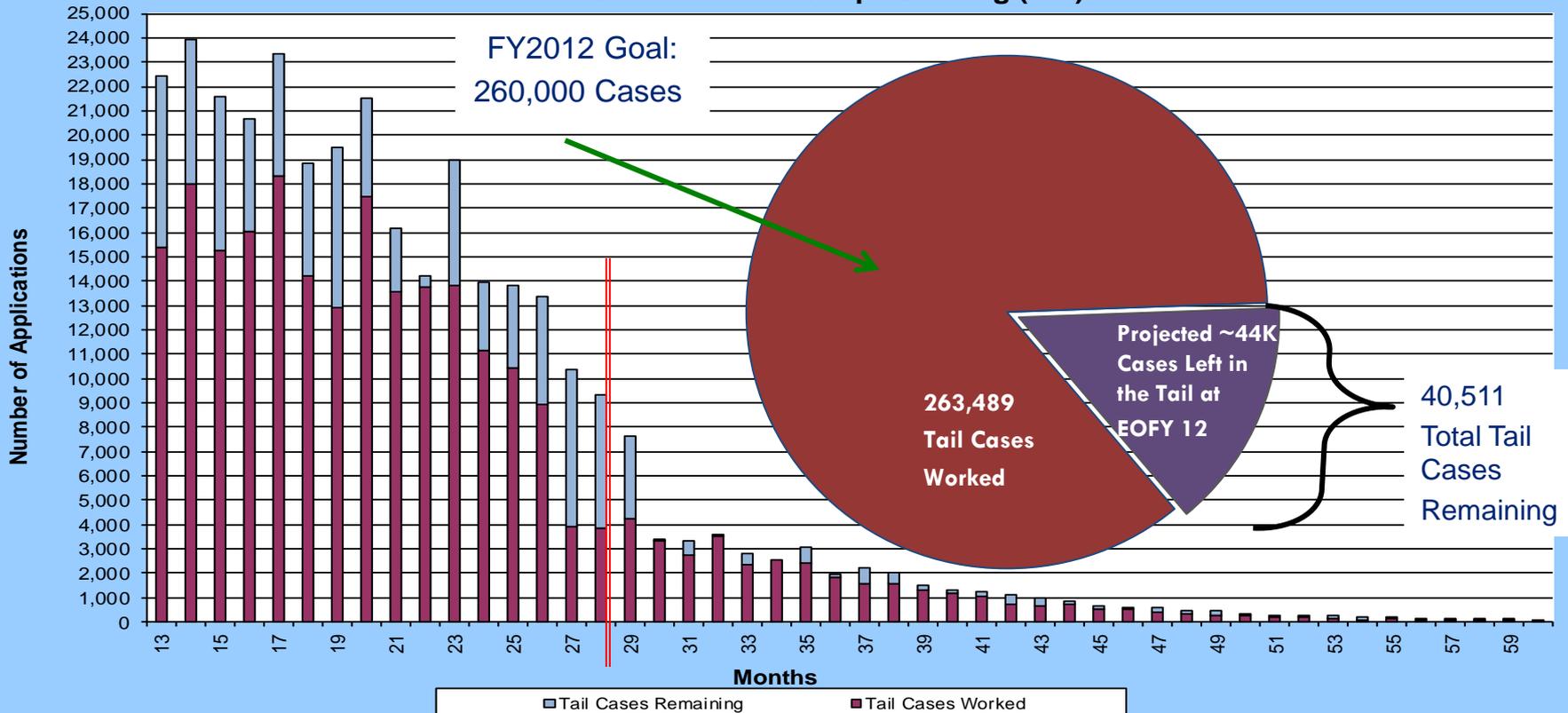


 The oval represents when monthly data begins.



Clearing the Oldest Patent Applications 2.0 (COPA) FY 2012 (through September 24, 2012)

Distribution of Corps Backlog (Tail)



FY 2012 COPA Backlog (Tail): Applications with filing dates on or before September 1st, 2010 (304,000 on Oct. 1, 2011)

FY 2012 Goal: Reduce COPA Backlog (Tail) by 260,000 applications (75,895 applications have been disposed)

98.4% of the original COPA 1.0 cases have received a first action.

• Applications to the right of the red line include unexamined applications from the COPA 1.0 initiative.



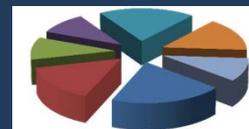
Track One Statistics (through 09/17/12)

Petitions Received	September	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY 11	855													855
FY 12		390	302	285	292	371	442	457	516	436	469	492	322	4,774
														5,629

Percent of Petitions From Small Entities	Average Days to Petition Decision	% of Decided Petitions Granted	Oldest Track One Application Still in Prosecution (days from petition grant)	Oldest Track One Application Without a First Action (days)
41.9%	36.2	95%	237	166

First Actions Completed	Average Days from Petition Grant to First Office action	Final Rejections	Issues	Number of Abandonments	Number of Allowances	Average Days From Petition Grant to Allowance	Average Days From Petition Grant to Final Disposition
3,588	48.3	906	579	24	935	125	154

First Patent Issued on January 10, 2012 from a September 30, 2011 Prioritized Examination filing



Patent Quality Composite Metrics

Reporting Period	Final Disposition Compliance Rate	In-Process Compliance Rate	FAOM Search Review	Complete FAOM Review	Quality Index Reporting	External Quality Survey	Internal Quality Survey	Quality Composite Score
FY12-Sep	96.6%	96.0%	97.1%	91.1%	89.9%	5.0	9.4	72.9
FY12-Aug	96.5%	96.0%	97.0%	91.1%	89.7%	5.0	5.1	66.3
FY12-Jul	96.6%	96.2%	96.5%	90.9%	90.1%	5.0	5.1	66.4
FY12-Q3	96.6%	96.1%	96.6%	90.8%	90.1%	5.0	5.1	66.1
FY12-May	96.6%	96.1%	96.4%	90.7%	89.6%	5.0	5.1	63.8
FY12-Apr	96.7%	96.2%	96.9%	91.4%	89.6%	5.0	5.1	68.8
FY12Q2	96.3%	96.0%	97.0%	91.5%	89.6%	5.0	5.1	65.5
FY12-Feb	96.2%	96.0%	95.6%	90.9%	89.5%	3.0	5.1	49.3
FY12-Jan	95.9%	96.3%	95.6%	91.0%	89.5%	3.0	4.3	43.9
FY12Q1	95.4%	95.2%	95.6%	91.0%	89.5%	3.0	4.3	35.2
FY11Q4	95.4%	95.2%	94.6%	90.9%	89.5%	3.0	4.3	30.7
FY11Q3	95.4%	94.7%	93.4%	90.0%	89.1%	2.7	4.2	26.4
FY11Q2	95.3%	94.8%	90.8%	89.7%	88.9%	2.7	4.2	25.5
FY11Q1	96.2%	94.9%	N/A	N/A	88.9%	3.6	N/A	N/A
FY10Q4	96.3%	94.9%	N/A	N/A	89.3%	3.6	N/A	N/A
FY10Q3	96.0%	94.6%	N/A	N/A	89.5%	1.8	N/A	N/A
FY10Q2	95.7%	94.4%	N/A	N/A	89.1%	1.8	N/A	N/A
FY10Q1	94.5%	94.1%	N/A	N/A	87.9%	1.2	N/A	N/A
FY09Q4	94.4%	93.6%	N/A	N/A	85.9%	1.2	N/A	N/A
FY09Q3	94.1%	94.1%	N/A	N/A	84.2%	1.1	N/A	N/A
FY09Q2	93.8%	93.9%	N/A	N/A	83.4%	1.1	N/A	N/A
FY09Q1	94.0%	93.4%	N/A	N/A	83.5%	1.3	N/A	N/A

FY 2011 was baseline year.



Patent Quality Composite – Preliminary FY12 - Q4

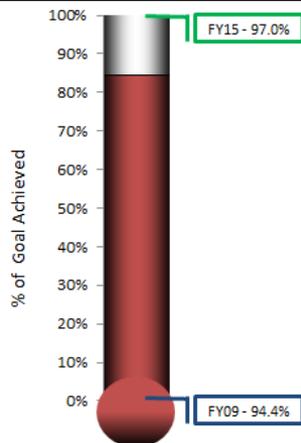
Component Metric	Definition	Component Weight (sum to 100)	Base Year ^{a/} B_0	Stretch Goal ^{a/} [Expiration of Strategic Plan: FY15] S_0	Current Level FY12 Q4 [*] C_1	Component Score $((C_1 - B_0) / (S_0 - B_0)) * 100$ [Progression from Base Year to Stretch Goal, with 0=Base Year] CS_1
A. Final Disposition Compliance	12-month % Compliance as determined by OPQA random-sample-review of Allowances and Final Office Actions.	20%	94.4	97.0	96.6	84.6
B. In-Process Compliance Rate	12-month % Compliance as determined by OPQA random-sample-review of Non-Final Office Actions.	15%	93.6	97.0	96.0	70.6
C. FAOM Search Review	12-Month Average Score as determined by OPQA random-sample, points-based-review of examiner-conducted search. Score= Points Earned/Available Points.	10%	94.6	97.0	97.1	100.0
D. Complete FAOM Review	12-Month Average Score as determined by OPQA random-sample, points-based-review of First Actions on the Merits (FAOMs). Score= Points Earned/Available Points.	10%	90.9	95.0	91.1	4.9
E. QIR ^{b/}	12-month average of 5 Quality Index Reporting metrics ^{b/} being tracked for quality performance. Converted to "% desired behavior" for inclusion in Composite. Each unique item has 4% of total Composite weight (20/5).	20%	85.9	94.0	89.9	49.4
F. External Quality Survey	Data collected from semi-annual External Quality Survey administered to a random sample of applicants and practitioners. Metric is number of respondents reporting "Good" or "Excellent" quality for every single respondent that reports quality as "Poor" or "Very Poor" over the previous 3 months. Responses of "Fair" are excluded from the analysis.	15%	1.2	5.0	5.0	100.0
G. Internal Quality Survey	Data collected from semi-annual Internal Quality Survey administered to a random sample of patent examiners. Metric is number of respondents reporting "Good" or "Excellent" for every single respondent that reports "Poor" or "Very Poor" when asked about factors impacting their ability to provide high-quality patent examination. Responses of "Fair" are excluded from the analysis.	10%	4.3	6.0	9.4	100.0

Patents Quality Composite Score: 72.9

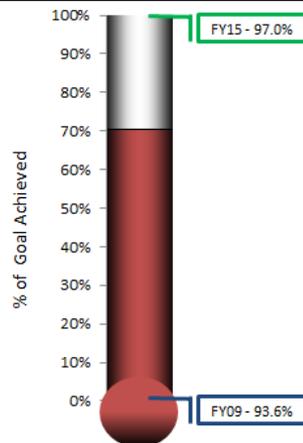


Patent Quality Composite - Preliminary FY12 - Q4

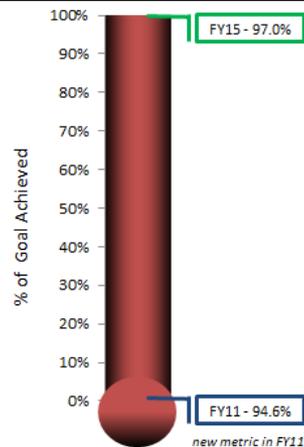
Final Disposition Compliance Rate



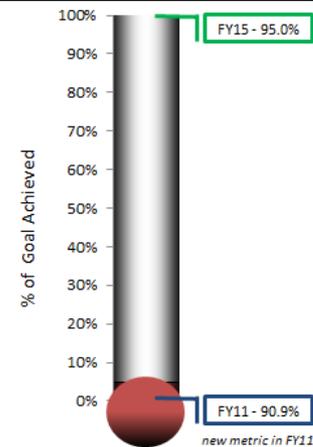
In-Process Compliance Rate



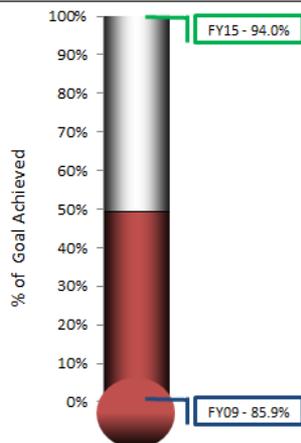
FAOM Search Review



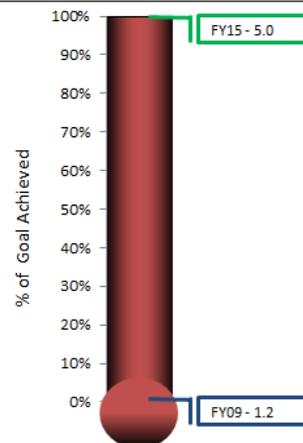
Complete FAOM Review



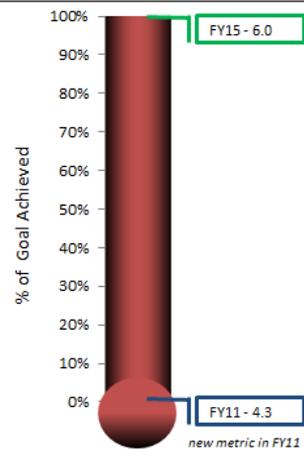
Quality Index Reporting (QIR)



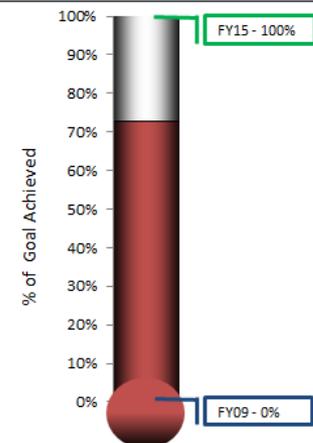
External Quality Survey



Internal Quality Survey



Overall Patents Quality Composite

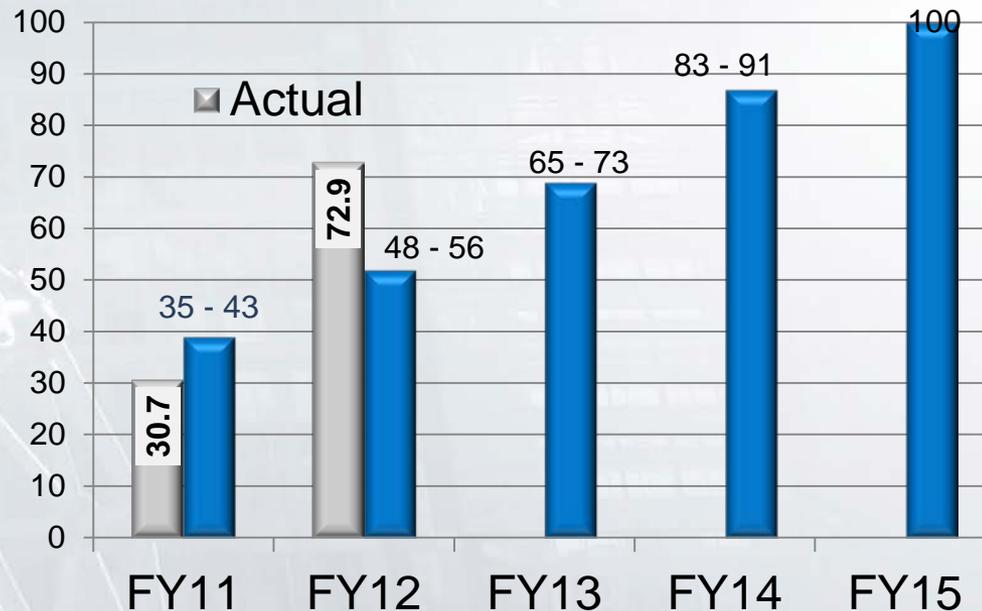




Patent Quality Composite - Preliminary FY12 - Q4

Monitoring Continuous Improvement

The Quality Composite Score in any given FY represents total cumulative progress towards meeting the FY15 quality goals. FY targets for desired progress throughout the Strategic Plan period have been established to evaluate interim performance and track year-to-year changes.



FY12Q4 preliminary indication of 72.9 means that the Office is currently 72.9% of the way in meeting the quality objectives it plans to achieve by the end of FY15.