

**UNITED STATES  
PATENT AND TRADEMARK OFFICE**





Patent Public Advisory Committee  
Quarterly Meeting

**USPTO Budget Update**

Tony Scardino  
Chief Financial Officer  
May 5, 2016

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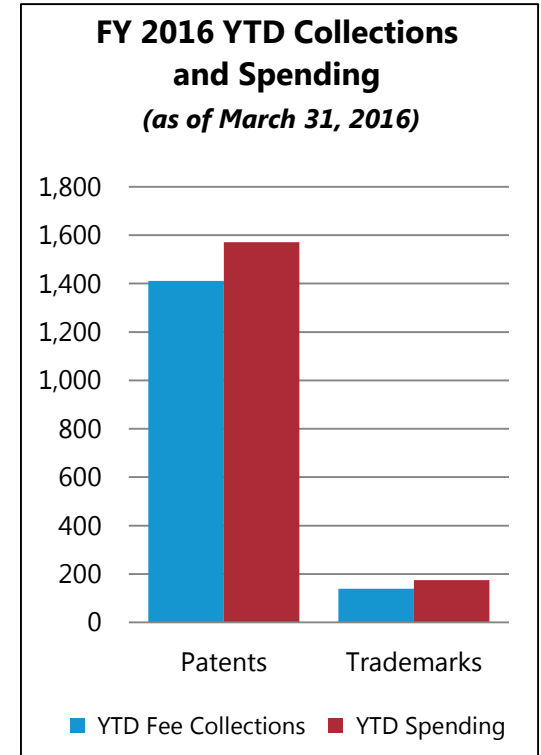


# Agenda

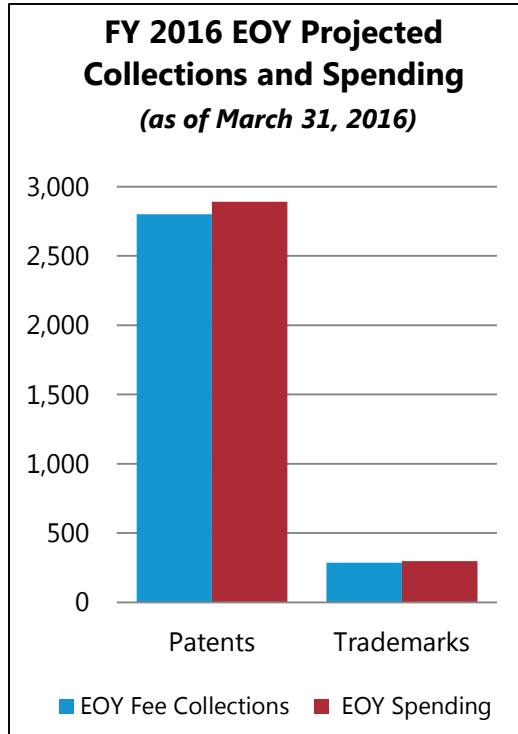
- FY 2016 Status
- FY 2017 Status
- FY 2018 OMB Budget
- Fee Review/Few Rulemaking

# FY 2016 Status

- Through March 31, 2016
  - Planned fee collections of \$1.52B
    - Patents: \$1.38B, Trademarks: \$141.1M
  - Year to date fee collections of \$1.55B
    - Patents: \$1.41B, Trademarks: \$138.9M
  - Year to date spending of \$1.75B
    - Patents: \$1.57BM, Trademarks: \$174.6M



# FY 2016 Status *(continued)*



- As of March 31, 2016
  - End of year projected fee collections of \$3.09B
    - Patents: \$2.80B, Trademarks: \$286.8M
      - The Patent estimate is \$14.7M higher than what was previously reported to PPAC
  - End of year projected spending of \$3.19B
    - Patents: \$2.89B, Trademarks: \$297.9M
  - End of year projected operating reserve of \$434.4M
    - Patents: \$338.3M, Trademarks: \$96.1M

# FY 2017 Status

- The FY 2017 President's Budget was released on February 9, 2016 with a fee collection estimate of \$3.32B
  - Projected collections includes the full complement of proposed fee adjustments presented to PPAC in October 2015
- The FY 2017 President's Budget spending requirement is \$3.24B. There is a high priority on funding:
  - On-board staff, production and operating requirements
  - Initiatives that require continuous, long-term, stable funding
    - patent quality and pendency
    - international work sharing
    - Patent Trial and Appeal Board (PTAB) operations and trial activities
    - Information technology (IT) related to these improvements
  - IT investments currently bearing the high cost of maintaining legacy systems

# FY 2017 Status *(continued)*

- DoC Secretary Pritzker's appropriation hearings before the House and Senate CJS subcommittees occurred on February 23, 2016 and March 3, 2016
  - Both hearings focused on other bureaus within the Department
- On April 21, 2016, the Senate Appropriations Committee advanced the FY 2017 Commerce, Justice, Science, and Related Agencies (CJS) Appropriations Act
  - USPTO is marked up at \$3.23B

# FY 2018 OMB Budget

- USPTO has started work on the FY 2018 OMB Budget submission
  - Internal guidance issued April 2016
  - PACs and DoC will receive a draft to review in August 2016
  - Final document will be completed by early September 2016



# Fee Review/Fee Rulemaking

- As USPTO drafts the notice of proposed rulemaking (NPRM), the Agency is taking into consideration PPAC's comments on the initial fee proposal
- The NPRM is planned to be published Fall 2016 and will include the revised fee proposal
- The proposed effective date of the fee changes is still the Summer of 2017

# Questions and Comments

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