Patent Public Advisory Committee
Quarterly Meeting

USPTO Budget Update

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May 5, 2016
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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