Patent Public Advisory Committee
Quarterly Meeting

USPTO Budget Update

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Agenda

- FY 2017 Summary
- FY 2018 Status
- FY 2019 Budget
- Fee Rulemaking/ Fee Setting Authority
- Other Topics for Discussion
FY 2017 Summary: Patent Fees

• USPTO collected a total of $3,077.2M
  – Patents: $2,772.2M, Trademarks: $305.0M

• Patents collections were:
  – $69.3M, or 2.4%, below the estimated collections
  – $214.2M, or 7.2%, below the level estimated in the FY 2017 President’s Budget

*The estimated collection is the working estimate is based on the figures reported in the FY 2018 President’s Budget submission.
# FY 2017 Summary: End-of-Year Results

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<thead>
<tr>
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<th>PATENTS</th>
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<tbody>
<tr>
<td>Aggregate Fee Collections</td>
<td>$2,772,172,480</td>
</tr>
<tr>
<td>Adjustment to Revenue</td>
<td>2,880,966</td>
</tr>
<tr>
<td>Actual Prior Year Operating Reserve</td>
<td>354,239,194</td>
</tr>
<tr>
<td>Actual Other Income</td>
<td>32,659,559</td>
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<tr>
<td>OIG and Dept of State Transfers</td>
<td>(1,803,137)</td>
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<tr>
<td><strong>Total End of Year Available Income</strong></td>
<td><strong>$3,160,149,062</strong></td>
</tr>
<tr>
<td><strong>Total End of Year Spending</strong></td>
<td><strong>2,907,229,243</strong></td>
</tr>
<tr>
<td><strong>EOY Operating Reserve</strong></td>
<td><strong>$252,919,819</strong></td>
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*Adjustment to Revenue includes in-transit revenue and prior years refunds*
FY 2018 Status

• The current Continuing Resolution (CR) is through December 8, 2017
  – The USPTO is held to an adjusted spending level calculated off of $3,230M (plus carryover and other income)
    • The CR includes a rescission of 0.6791%
FY 2018 Status  (continued)

• Both the House and Senate Committees on Appropriations recommended appropriating $3,500.0M for the USPTO in FY 2018
  – This level is $86.2M below the FY 2018 President’s Budget Request of $3,586.2M

• USPTO’s spending requirements in the FY 2018 President’s Budget are $3,502.9M
  – Requirements will be reviewed throughout the fiscal year
FY 2018 Status (continued)

FY 2018 President’s Budget

• Estimated fee collections of $3,586.2M
  – Patents: $3,250.3M, Trademarks: $335.9M

• Spending requirements of $3,502.9M
  – Patents: $3,176.1M, Trademarks: $326.8M
FY 2019 Budget

• The FY 2019 OMB Budget request was submitted on September 11, 2017

• USPTO is working on the FY 2019 President’s Budget submission
  – PPAC will receive a draft to review in mid to late January 2018
  – The final budget will be submitted on February 5, 2018 to Congress
Fee Rulemaking/Fee Setting Authority

- USPTO is currently working with OMB to finalize language in the patent fee rule package.
- 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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