Patent Public Advisory Committee Quarterly Meeting

USPTO Budget Update

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November 8, 2018
Agenda

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

• USPTO collected a total of $3,338.8M
  – Patents: $3,009.9M, Trademarks: $328.9M

• Patents collections were:
  – $28.2M, or 0.9%, below the estimated collections
  – $84.0M, or 2.7%, below the level estimated in the FY 2019 President’s Budget

*The estimated collection is a revised estimate from summer 2018.
## FY 2018 Summary: End-of-Year Results

<table>
<thead>
<tr>
<th>Patents</th>
<th>Actual Fee Collections</th>
<th>Adjustment to Revenue</th>
<th>Actual Prior Year Operating Reserve</th>
<th>Actual Other Income</th>
<th>OIG Transfer</th>
<th>Total End-of-Year Available Income</th>
<th>Total End-of-Year Spending</th>
<th>EOY Operating Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$3,009,859,473</td>
<td>1,479,809</td>
<td>252,919,819</td>
<td>37,015,346</td>
<td>-902,384</td>
<td>3,300,372,063</td>
<td>2,988,832,730</td>
<td>$311,539,333</td>
</tr>
</tbody>
</table>

*Adjustment to Revenue includes in-transit revenue and prior years refunds*
FY 2019 Status

• The current Continuing Resolution (CR) is through December 7, 2018
  – The USPTO is held to an adjusted spending level calculated off of $3.5B (plus carryover and other income)
FY 2020 Budget

- USPTO submitted its FY 2020 OMB Budget on September 10, 2018
- The FY 2020 President’s Budget will be released and available to the public in February 2019
  - PPAC will receive a draft copy of the budget to review in advance of the submission
Strategic Planning

- The 2018-2022 USPTO Strategic Plan is expected to be available in November 2018
  - USPTO accepted comments from the public through September 20, 2018
Fee Rulemaking

• The public hearing on the proposed patent fees occurred on September 6, 2018
• All public comments were received by September 13, 2018
• PPAC recommendations were received on October 10, 2018
• USPTO is currently assessing the comments and recommendations received by PPAC and the public
• The rulemaking process is underway
Fee Setting Authority

• The Study of Underrepresented Classes Chasing Engineering and Science Success (SUCCESS) Act was signed on October 31, 2018
  – This bill extends fee setting authority for eight years
    • The USPTO's fee setting authority under section 10 of the AIA expired on September 16, 2018
  – It instructs the USPTO, in consultation with SBA, to conduct a study and provide legislative and other recommendations to increase the number of women, minorities, and veterans who apply for and are granted patents
Questions and Comments

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