



## UNITED STATES PATENT AND TRADEMARK OFFICE

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UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

VIA ELECTRONIC TRANSMISSION

OCT 27 2015

Patent Public Advisory Committee (PPAC)  
ATTN: Ester M. Kepplinger, Chairperson  
1700 K Street NW  
Washington, DC 20006

Dear Members of the Patent Public Advisory Committee:

As part of our continued commitment to fiscal responsibility, financial prudence, and operational efficiency, USPTO recently completed its comprehensive biennial fee review. This represents the first major agency review of all fees using the fee setting authority provided by the Leahy-Smith America Invents Act (AIA), and the first review of patent fees since the adjustments that were published in January 2013. Based on the results of the review we are now ready to engage the intellectual property (IP) stakeholder community to ensure we move forward through the regulatory fee adjustment process with a proposal that best serves our Nation's IP system.

The fee review process incorporated a thorough review of the existing fee schedule as well as significant research and analysis on potential revisions to the schedule. In addition, we evaluated specific recommendations from the IP community. The fee proposals are intended to better align fees with cost; provide applicants greater processing options and promote efficiency of operations. I believe that the resulting proposal's examination process and practice adjustments along with its modest fee increases will ensure that the USPTO continues to deliver on its commitment to deliver high quality and timely examination of patent applications.

These targeted fee adjustments are aligned with the Office's fee structure philosophy, with the goal to provide sufficient financial resources to facilitate the effective administration of the United States IP system. Transitioning to this proposed fee structure in fiscal year (FY) 2017 would provide USPTO with sufficient resources to support patent operations and related services with more options for applications. We are on the right path to success - increasing our quality focus because of the significant reductions in our patent application backlog and pendency, as well as improved patent operations and procedures. I strongly believe that the proposal will mitigate the very real possibility that recent and future progress on our strategic goals could be compromised by future funding complications. I believe that the resulting proposal's modest fee adjustments will ensure that the USPTO continues to deliver on the commitments made in our 2014 - 2018 Strategic Plan while simultaneously increasing operational efficiency.

Enclosed with this letter are two documents. The first provides a summary of the proposal to help you understand the changes being proposed. It includes details on our fee setting process, highlights of the issues and information we have considered, and a description of the specific changes being proposed. The second provides a detailed listing of the fee adjustments. In addition, the Office has established a website, <http://www.uspto.gov/about-us/performance-and-planning/fee-setting-and-adjusting>, which contains further background material that will aid in your analysis.

In addition to this fee proposal, the Office is undertaking a robust spending prioritization and review effort to ensure that our spending plans embody the best possible use of the dollars we anticipate collecting. I look forward to briefing you on this effort in the upcoming months.

As the Office is proposing to use its fee setting authority under section 10 of the Leahy-Smith America Invents Act (AIA), PPAC is required by the Act to hold a public hearing within the 30-day period following receipt of this proposal. The Act also requires PPAC make available to the public a written report setting forth in detail the comments, advice, and recommendations of the committee following the public hearing on the fee proposal. We will be reaching out shortly to answer any questions and to assist with the logistics and materials needed to conduct the public hearing.

I look forward to hearing your comments and recommendations on the proposal, as I am confident that our collaboration will only enhance the final product and ultimately the United States IP system.

Sincerely,



Michelle K. Lee  
Under Secretary of Commerce for  
Intellectual Property and Director of the  
United States Patent and Trademark Office

Enclosures

Attachment I – Executive Summary of Patent Fee Adjustment Proposal

Attachment II – Listing of Proposed Fee Adjustments

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