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KIM ALTON, Directorate of Governmental Affairs

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CHAIRMAN CHO: Hello and welcome, everyone. I wanted to get your attention because this is our first public meeting of 2023, of the USPTO Trademark Public Advisory Committee, or known as TPAC. My name is David Cho. I'm the current Chair, and at my daytime job, I'm an Assistant Vice President and Senior Legal Counsel for AT&T.

I would like to take this opportunity to introduce my esteemed colleagues of TPAC, beginning to my right with my remarkable Vice Chair, Adraea Brown. She is an Assistant General Counsel at Harley-Davidson Motor Company. Following her, in order of seniority are: Tracy Deutmeyer, Shareholder of Fredrikson & Byron; and Jomarie Fredericks, Deputy General Counsel, Chief Intellectual Property, Brand Counsel at Rotary International and The Rotary Foundation.

Next, are Rodrick Enns, Partner at Enns & Archer; and Dana Brown Northcott, Vice President
and Associate General Counsel, Intellectual Property Legal at Amazon.com; finally, our newest members are Deborah Gerhardt, a Reef Ivey Excellence Fund Term Professor of Law, at the University of North Carolina School of Law; Donna Griffiths, IP Specialist, at Cytiva Technologies; and, finally, Amy Hsiao, Partner at the Eligon IP firm.

I also want to welcome our three union representatives, Harold Ross, President of the National Treasury Employee Union, or NTEU, Chapter 24; Jay Besch, President of NTEU, Chapter 245; and Pedro Fernandez of the Patent Office Professional Association or known as POPA.

Next, it's my immense pleasure to welcome Kathi Vidal, the Under Secretary of Commerce for Intellectual Property and Director of the USPTO. And, finally, I am grateful for Commissioner David Gooder and the USPTO leadership.

It is an incredibly rewarding experience to work with my TPAC colleagues and exceptional
leaders in the USPTO to continue shaping and protecting intellectual property rights of the U.S. and its significant global impact.

One such example is my unbridled excitement to announce the April 11th launch of the first ever USPTO trademark award, emphasize "trademark," called Trademarks for Humanity Award, recognizing brand owners who are improving the environment.

The deadline for applicants, so please hurry, is July 14th. You can see more details at the USPTO website. Well, let me remind you of some housekeeping matters to submit any questions during our meeting today by email to: Tpac@uspto.gov; again, the email is, tpac@uspto.gov.

Now, let me turn the floor over to our esteemed director, Kathi Vidal.

DIRECTOR VIDAL: Got it, got it, thank you. Do we still have the slide up?

CHAIRMAN CHO: They are trying to figure it out now.
DIRECTOR VIDAL: Okay, great. Well, this is excellent. So, you stole my thunder. I'm super excited about the trademark award, and I will mention that in my remarks. Thank you for the introduction. Thank you to all members of the TPAC for your unwavering support for all that we're doing and helping us in so many different ways.

Two weeks ago -- wow, two weeks ago already, I marked the first year of my work here at the USPTO, and I can't say enough about all of you, including my colleagues and the TPAC. You have been amazing, and we know we'll get some great work done, and I know we still have much to do, as I was reminded yesterday in my hearing. I get to wear color today, so I'm very excited about that. (Laughter)

I am delighted to be speaking here also this week, where we marked World IP Day, and where the topic was Women and IP Accelerating Innovation and Creativity. And, you know, just thinking about that language, Accelerating Innovation and
Creativity by bringing more women into the innovation entrepreneurship, creativity, ecosystem. It's just so powerful.

The opportunities we have by bringing more people into the ecosystem is going to have a immeasurable impact on our economy. It's going to create jobs in communities. It's going to allow people to put their kids through college because it will be higher paying jobs. The work that we have to do is just so exciting and inspiring to me. I'm glad to be doing it with you.

I'll talk some about our initiatives in a bit, but we are doing a lot around women. We are doing a lot to bring anybody who is not in the innovation entrepreneurship ecosystem into that ecosystem. I was also thrilled talking about some of our work around women that TPAC attended our WE Wednesday this week, as did many of my colleagues. Thank you for your support of that.

I know a number of our patent examining attorneys attended as well and said it was thoroughly inspiring, and so just really glad that
we can serve both of those in the USPTO, as well as the community, and really would hope and call on you and everybody who is on for your support of that and getting the word out more, helping us reach more people with the programming that we are already doing because we have got so many amazing offerings.

It was also great to see you on Capitol Hill; that was fantastic, a little different than my other visit to Capitol Hill this week. It's very, both very enjoyable in their own ways. Thank you for participating in that event as well and being out there as the face, part of our face of the USPTO.

I do have here in my remarks in yellow that I was supposed to update you on anything that happened yesterday, so I will do a quick update. So, good that trademarks are on the minds of those in Congress. And I'm not sure if you've -- I'm sure everybody has not heard the testimony or read the testimony, but it was really great that Ranking Member Hank Johnson asked me some
questions about some of the fraud.

Because he recognized, Congress recognizes that that an issue for our small-to medium-sized companies. It's an issue for everyone, quite frankly. As I told him, we are on it. That doesn't mean we don't have more work to do, we have much more work to do.

He did mention the Local Counsel Rule, the U.S. Local Counsel Rule, and I told him, and I'll repeat it again here that between December 2022 and March 2023, 19 U.S. licensed attorneys were referred to our Office of Enrollment and Discipline.

So, those are U.S. attorneys who are trying to get around the rule by helping others that file things fraudulently. So, and I know you know well about all of the sanctions orders we have issued, about every attempt that we're making to clear the trademark register of anything that's fraudulent.

We have talked about it and work on it weekly with the unions and with all of trademark.
So, I'm glad that Congress recognizes that the more that we can elevate these IP issues the better it will be for the country. I think that was the main update, unless you want to talk about the PTAB for a bit -- apparently not. (Laughter) There is a lot about the PTAB, okay.

So, moving on. So, I just want to thank the Trademark Office for everything that they have done, we have done in the past year, including the transition to TM Exam, successful and timely rollout of our new response periods under the TMA, Trademarks for Humanity, as David mentioned, coping with the huge inventory of trademark applications that surged during the pandemic.

You know, sometimes I get asked if that surge was caused by all of these fraudulent applications. That was the first question I had for Trademarks, and it's not. It's the surges really more people starting businesses, more people realizing that they can be entrepreneurs. So, the surge is great and now we just have to find a way to bring pendency down, which
is something, again, we're working on and working on with the unions. Managing the residual impact of COVID in our professional lives. That's something that every organization I know is dealing with, and Trademarks is no different than anyone else.

And then, anti-counterfeiting, that was something that it was in my written testimony that I talked about, that's something that we do mostly with our Office of Policy and International Affairs, and also with our Comms (phonetic) team, but we have been doing a really great job educating people. I know I asked you to form a subcommittee around anti-counterfeiting.

Last year, I think that's -- that work is still going on. I look forward to hearing any other ideas on what more we can do, both across government, our work across the world trying to help shore up systems across the world so that U.S. trademarks and trademarks in those countries will be respected and will have good systems everywhere because trademarks are so important and
want to make sure that once people are able to secure their trademark that it's used in the proper way and that people aren't trying to sell against them.

Really appreciate the work of the TPAC to the trademark community, especially in these last few years, where we have tackled some of these challenges, whether it be counterfeiting or fraud, et cetera, just It's been phenomenal. Just want to give you a few updates -- oh, also want to make sure to thank the union.

I have said the words but thank the union. Jay Besch, Harold Ross, and Pedro Fernandez, thank you for all you do. As I have said over and over again, we are completely aligned in wanting to make sure that everybody who works at the USPTO is treated fairly, you know, they feel like they belong, they feel connected, and that we're just doing really great work together -- so, really, really appreciate that we're on that journey with you and wouldn't want to be on it with anyone else. So, thank you for
In terms of a few updates on USPTO initiatives, this year I joined the National Advisory Council on Innovation and Entrepreneurship, so certainly happy to make sure that you get updates on that. The meetings, for the most part, are public, sometimes we go into private session, but the meetings for the most part are public.

It's the work that we're doing across commerce to make sure that we never get into this chip supply chain issue again. We want to bring more people into the innovation and entrepreneurship economy. We want to make sure we're reducing barriers for people and just be the startup national that we have always been. And so, any thoughts or ideas you have on how we can accomplish that better we'd certainly be open to that. Also, as we have spoken about numerous times, we have our own Council for Inclusive Innovation which we have also made across commerce now.
We have co-vice chairs from other agencies really looking forward to getting all of the initial ideas across the finish line. We have announced some of those recently including on the patent side, a first filer program. Another thing that we're working on that we haven't released yet is just additional communications with filers.

So, if somebody files for a patent helping take them through the process but also say, have you thought about your -- what trademarks you need to register; if somebody files, you know, tries to register a trademark talking to them about what other IP might you have. And so, we do have our new IP identifier tool that we can use there, so really looking forward to doing that.

I mentioned the WE Initiative, it's our women Entrepreneurship Initiative. We launched it in November, and it's just been phenomenal. People will travel states, a number of states just to come live and be there in person, even though it's also virtual. It's phenomenal. We had one
session. And I'm trying to where I can host it from around the country to give many more people the opportunity to attend live.

I had one recently in Phoenix, and one of the women who showed up, she brought her patents with her in a bag, and she drove from San Diego to Phoenix, got a flat tire, tried to fix it in two towns, couldn't fix it, and decided she was going to drive the rest of the way on her flat because she did not want to miss our session.

It just shows you the level of interest and dedication and people seeing that government is working for them, that we're here to help support them. So, that's really one of our initiatives to get the word out there that we're here, we're going to try and let them know everything government is doing; whether it's the Inflation Reduction Act, which is really spurring a lot of startup activity; whether it's the CHIPS Act; whether it's funding through MBDA, whether it's all the amazing programming that we offer.

So, I look forward to seeing you at
those and maybe hosting you at some of them. I'm real excited about that. Go for Real campaign in anti-counterfeiting, I will address that. We have reached over a billion people with those campaigns, really just trying to change the hearts and minds of people across the country.

As we try and stop the goods from coming in, we're trying to change the buying patterns as well. We're trying to hit it on both ends, so excited about that. I have also been on TV around the country and local TV stations to talk about it when people were doing their holiday spending. I thought that would be a good time to get out there, that's been helpful.

I also know that it's part of our camp invention. So, last year, we educated 280,000 children across the nation with camp invention, many of whom were on scholarship, which is phenomenal, giving them opportunities. As part of that, we educated them on the value of IP and respecting other people's IP, so just doing everything we can and look forward to
collaborating with your subcommittee on that.

I don't need to go through Trademarks for Humanity, but just please get the word out. I did recently have the pleasure of celebrating folks who filed for patents on -- in our Patents for Humanity program around COVID. It was a tear-jerking ceremony. I mean, it was incredible and just to be recognized at that level is phenomenal, and I'm so excited that TPAC actually came up with the idea.

That's incredible. We should have come up with it as well. I'm glad that you did. And I look for more ways to think about what we're doing in trademarks that we should be doing in patents, and what we're doing in patents that we should be doing in trademarks.

I think we have got a lot of information to share and that's why I had suggested that the TPAC and PPAC sometimes meet so that we can share ideas and see what more we can learn from each other.

In terms of key initiatives, you're
going to hear a lot about this, so I won't go through the details on all of them, obviously, reducing pendency is first on our list. But equally important is a lot of the other work that we're doing including IT modernization. I did get asked about that yesterday as well.

It's really important. Congress knows it's really important trying to figure out how we can scale and do that more quickly with making sure we're rolling it out in the right way. So, trademarks did a phenomenal job on that. I know in the December timeframe, we were on the call daily for a while just to make sure that that rolled out in the right way; and then, boost trademark register protection.

We also have fee setting authority coming up which, as you know, because the TPAC plays a key role in that, our public hearing is June 5th. So, anybody interested in being part of that, please do so.

With that, I just thank you for being here. It's great to see you in person, and just
wish you success in the rest of the day. And
thank you for all you.

(Applause)

COMMISSIONER GOODER: Yep, okay, all
right. At this point, we can kick off the
business part of the meeting. Conference
services, if you could pull the slides up, please?
That would be great. Okay.

So, in terms of our agenda today, we're
going to cover a number of things. But, generally
speaking, we're going to talk about where we are
fiscal year-to-date. We're in the midst of fiscal
'23, and we'll talk about our business operations
so far this year.

We'll get a financial update from our --
the Office of our Chief Financial Officer, and
then you'll hear updates on operations on
registered protection on our petitions work, our
trademarks-related IT priorities, from the
Trademark Trial and Appeal Board, Office of Policy
and International Affairs, and the Office of
Government Affairs.
So, we've got a busy agenda and so with that we'll jump right in. And, theoretically, I can't change the slides, right? All right. Okay. I'm missing a graphic in our slide for some reason, but I'll explain it to you. (Slide) Essentially, what this shows is that with the exception of fiscal '21, which had an enormous leap in filings, which we have talked about a lot, everybody is very familiar with. This year we predicted to be sort of in line with our historic curve. (Slide) But, as you'll see, with this next slide, the filings themselves have been since about last year on a fairly slow decline. So, for instance, we -- some of these people have equated it to a tire with a slight leak in it. It's not dropping off, but it is declining and that is something that we obviously watch very closely because that's what generates the fees for what drives the Agency.

You'll hear more about that from Sean and Michelle in a little bit. We're watching it. We're not uncomfortable with it but watching it as
it does decline. It's entirely dependent on the
economy because trademarks, as many of you know,
are sort of a leading economic indicator, whereas
patents tend to lag behind the economy. So,
trying to predict the economy, to try and predict
trademark filings is a lot of art and a lot of
science, and our folks do a great job at that, but
they're just like the people reporting the
weather, they're always wrong half of the time,
probably.

So, anyway, we had a very big filing
month in March, which was great but that's also
fairly typical to have a big month. So, we're
halfway through the fiscal year. We'll obviously
keep watching how it goes. Where those
applications are coming from is actually -- there
we go, now we appear to have this back -- there we
go. (Slide) So, where applications are coming from
is a really useful thing to look at. Because
whether the Agency, as a whole, filings are up or
down is only kind of part of the picture because
we have people from over 200 countries who file
here, and what this slide shows you is a very top
line of filings that come in from the U.S.

And you can see a lot of -- It's not a
straight-line affair. There is a lot of ups and
downs during the year. You can send them around
the holidays; you can see them at the start of
lunar new year; you can see that as we go along.
So, the U.S. right now is -- has been up and down
but is kind of in an upturn. And the next line
down, you can also see is China is going through,
after a fairly long period of shrinking filings
has started to bounce back up.

The third line down is Europe and it has
recently started to decline a bit in terms of
filings. The bottom two lines are Asia-Pacific
without China in it and the Americas without the
U.S. in it, and they have stayed pretty much,
fairly flat.

That leads us to a kind of overall view
including the U.S. which accounts for about 64
percent of filings on a fairly consistent basis.
China is right around 14 percent, and Europe is
about 12, and then six and three for the remainder of the world.

Now, what this also indicates is that Director Vidal mentioned pendency and pendency is a direct -- has a direct correlation to inventory. And Dan Vavonese, who's Deputy Commissioner for Trademark Operations, will talk in more detail about both of these topics.

(Slide) The good news I will tell you is that, as this slide shows you, is that our inventory actually is coming down and has been consistently since it peaked somewhere in the early fall, I think somewhere around September, and that's a really good sign. But, like I say, Dan will go into more detail about that.

(Slide) In terms of our staff, we are, the slide says, early at 1100, actually, as of Monday, it's slightly over 1100 employees.
 Forty new examining attorneys started in our Trademark Academy and that's a one-year program that trains them on how to be an examiner, and then from there they move out into their offices. So, we are just over 1100 now, and you can see the breakdown in here between examining attorneys, support staff, petitions and policy people, register protection, kind of all of the different areas in the Agency.

Interestingly, as we have done for 20-some-odd years, the Trademark Office was the first component of the federal government to ever formally telework and started it 20 years ago, last year. And so, our examiners are literally all over the country including, Hawaii, Alaska, and Puerto Rico. Where we don't have anybody is in the sort of upper Midwest, Montana, and Wyoming, et cetera, and Kentucky, for some reason.

So, but right now about 90 percent of the Trademark Office teleworks, to some degree, or another. About 88 percent of that is what is called the Telework Enhancement Act Program.
(TEAP), where people live more than 50 miles from the office. It's one of the things that helps us recruit. It provides a great work-life balance for our people. And, as we saw during the pandemic, people are incredibly productive working in this kind of virtual environment.

That's a bit about where we are in terms of the nuts and bolts of the business side. I want to turn it over and talk a little bit about finance now. And let me introduce you to Sean Mildrew, who is our Deputy CFO. And, Sean, I will leave it to you.

MR. MILDREW: Thanks, Dave. It's great to be here this afternoon enjoying it with TPAC. I'm joined by my colleague, Michelle Picard, who is our Senior Advisor and Chief of Staff, in the Office of the Chief Financial Officer, and Michelle and I will tag team this presentation.

So, I'll give you overview and the status of fiscal year '23 and the budget for '24, and Michelle will -- so, I'll set that up, and then Michelle will do some future gazing and let
you know what's on the horizon. Okay. (Slide) So,
our first slide here, really, the bottom line
upfront is that end of year trademark operating
reserve is projected to be $183.5 million, which
is $63.5 million above our minimum operating
reserve level and that's a good thing. So, that's
the bottom line upfront.

As you can see, this is a usual, the
typical chart that we present to both the PACs.
It shows our two business lines, the patent
business line, and the trademark business line.
And I'm going to focus on that middle column,
which is trademarks. But if you add those two
together, you get that USPTO column. So that's
how this chart works.

So, I'll start from the very top and
just walk you through. So, our fiscal year '23,
which is the year that we're in right now, started
October the 1st and ends on September the 30th.
Appropriations for trademarks was $542.1 million,
and that was our President's request in the
President's budget from last year, Fiscal Year '23
President's Budget, Congress appropriated exactly what we asked for to the tune of $4.2 billion for the entire USPTO.

And since then, we've revised our estimate. You can see on both, the patent and trademark business line, our revenue has softened over our estimate. And so, we've updated our trademark revenue estimate twice, once in June, last June; and then, once again, in December, bringing it down $66.5 million. So that's the number in red in the parentheses, which gives us a projected end of year fee revenue of $475.6 million.

So that's below the appropriated number that we receive from Congress. So, keep that number in mind 475.6, and to that number to get to our total resources available, we add the beginning of the year operating reserve of $217.6 million. So that was the operating reserve at the beginning of this fiscal year. And we also add an extra $8.2 million to trademarks and that's the amount that last year we collected over the
appropriation.

So, Congress gave us an appropriation last year. We exceeded that with fee collections. You can see both for patents and for trademarks, just a little bit. For patents it was 23.5 million and for trademarks it was 8.2 million. We get to receive and use those funds through a, what's called a Reprogramming Request to Congress. And it's basically a letter from the Administration to the Congress saying, you gave us an appropriation. We collected more than that appropriation. We'd like to use those funds and return them to our accounts.

And so, it's just by--it's a mechanism through a letter request, essentially, to the Congress and that was just recently approved. So, we've added that now to our available funds which gives us a total just over $700 million, $701.3 million of total resources available.

And our spend plan for this fiscal year, for trademarks, is $517.8 million, and you can see that number in red with the parentheses. So,
that's our spend plan. So, we round that up to 518, so keep that number in mind because I'll hit it with another slide in just a moment or two here.

So, if you take the total funds available minus the estimated spend plan for the fiscal year, you end up with an operating reserve balance of 183.5. And you can see that number, as I said, the good news is it's $63.5 million above our minimum operating reserve, but it is lower than the number that we started with at the beginning of the fiscal year, that 217.6. And you'll see in a slide or two just how that operating reserve works. And these numbers, by the way, are as of February. Okay.

(Slide) So, the next slide, so that 517.8 or $518 million spend plan, that's that line, that green line at the very top of this chart, and just to give you some orientation. So, this chart, the X-axis is the months, starting with October 1st,
for this fiscal year, going all of
the way through September 30th,
month-by-month, showing spending to
revenue, and the spending is the
blue bar there and the revenue is
the red bar, and the Y-axis, is in
millions of dollars.

And you can see every month, we are
spending more than the revenue we're collecting.

And you probably are asking yourself, how is that
possible? You're spending more money than what
you're collecting. Well, it's the beauty and the
miracle of the operating reserve. That allows us
to continue on with normal business operations.
So that's just an insight into the ongoing fiscal
year mechanics here at the USPTO.

(Slide) Our next slide now focuses
on revenue, trademark revenue. And
remember that number that I told
you about, the appropriated number
for this fiscal year, $542 million.
That's that line, that's that green
line at the very top of this chart.

And, as I mentioned, we have refreshed our revenue estimates, once in June, and again in December, getting us to that $476 million number that I mentioned on that previous slide. And when we look at our 25-day moving average calculation, we're actually looking at an end of year. That's what the EOY stands for, end of year number for revenue at about, even a little lower than our revised number from December of $463 million. So, that would be about 2.6 percent or $13 million below our revised number from December timeframe.

(Slide) Our next slide, we'll take a look at the operating reserve. And so, this is about a year-and-a-half of data here, starting with October 1, 2021, and going through to the February timeframe. You can see that our optimal operating reserve balance is targeted at about seven months worth of operations worth just over
$300 million, and our minimum is operating reserve balance is set at 120. That's that number that I had mentioned previously.

And you can see from over the last year-and-a-half, or so, we have been right sort of in the middle of those two guardrails and that's great. That's kind of where we want to be. We don't want to be above the optimal. We don't want to be below the minimum. We keep an eye on that. That really is our safety net and our reserve to weather any business cycle or economic changes.

And, as we look forward, our current analysis shows at the end of February, a $200 million operating reserve. But, as I said, our spend plan will continue to spend that number down and will get to probably around $183 million that was represented on that prior chart that I showed you.

So, switching gears now, so that was '23. We're moving now onto fiscal year '24. This was the budget that was just submitted to the
Congress. And you can see the chart here shows fiscal years on the X-axis, on the bottom there, and millions of dollars on the Y-axis, and this shows fee collections: The blue is patents; the solid area there is actual collections; the shaded area is projected; and the red, at the top, is the trademark.

And you can see it's a general upward trend, so the good news is that we're going to -- we're forecasting and planning revenue increasing year-over-year. Our total revenue projected is $4.2 billion of which that fee collections of $500 million for trademarks. Okay.

(Slide) Our next slide here is spending now. This is, gain, for fiscal year '24, shows a total USPTO positions of 14,425 positions for a total spend of $4.2 billion, and trademark spend is $555 million of that. And you can see on the pie chart that our total plan spending of $555 million for fiscal
year '24, 69 percent of that is compensation and that's salaries, and overtime, and benefits, and 31 percent is non-compensation costs which are things, like, including: Contracts, travel, training, equipment, printing, and supplies.

And for on the horizon, I'm going to turn it over to my colleague, Michelle Picard.

MS. PICARD: Great, thank you, Sean.

Good afternoon, everyone. So, Sean took you through our current financial status, now I'm going to take you a little further looking ahead. You'll see right there under the first section on this slide that our -- we're getting ready to start our FY '25 budget formulation, so that we started revalidating our budget for next year and then we're updating our estimates that will take us all the way into 2029.

That process ends with us submitting our budget requests to the Office of Management and Budget, which is an arm of the White House, and we
plan to do that in September. The other good news
on the horizon is we are getting close to
publishing our new strategic plan. We provided a
draft to the public and our employees to provide
comments a few months ago, and we're in the
process of finalizing all of those based on your
feedback.

I want to thank those of you who took
the time to provide us the feedback because it
definitely helped us shape it into a better
document. We received some really valuable
feedback. We anticipate releasing the new
strategic plan later this spring, so kind of keep
your eyes out, it's close. We're getting there.

Sean, next slide. (Slide) So, the next thing on
the horizon, which Kathi mentioned in her opening
remarks is fee setting. So, as Sean discussed in
our '23 and '24 status, some of our costs are
outpacing our revenue, and our forecasts in the
President's budget show that this will continue
into the horizon for the reasons that Sean
mentioned, primarily, because our demand
forecasts, while our forecasts continue to show growth, our growth is not as optimistic as we thought it was going to be in our 2023 President's Budget.

So that's taking a step back to make sure that we're recalibrating our fee structure. So, the good news is that, as Sean showed you on this slide, the operating reserve is healthy enough to sustain us until we go through and reset fees. And so, let's -- I'm going to spend some time just kind of talking a little bit about the process, not the actual proposal.

So, if you look at -- some of you may have noticed that in the Federal Register we published and announced the fee setting hearing, as Kathi mentioned, it's scheduled for June 5th. I would say that Federal Register Notice yesterday was kind of like a save the date and more to come. (Slide) So, if you look at the bottom of this slide, I'm going to spend some time on kind of the process. So, if you see in Stage 1, we have already completed that. We have figured our --
got our proposal together and we're just nearing into Stage 2; so that's our fee setting hearing, that's the public review. And we're going to -- we will deliver our proposal to the TPAC.

We're planning the first, the beginning of May and that will be -- we'll be posting it on both TPAC's webpage and our fee setting and adjusting website and kind of if you -- the law requires us to hold a hearing for 30 days after we -- within the 30 days, we deliver the proposal to TPAC, so kind of a spoiler alert, if you heard that the fee setting hearing is on June 5th, and you back up 30 days for that, we're kind of looking somewhere around May 8th, that that should be coming out.

So, keep an eye out for the trademark alert. After we issue the proposal to the TPAC, we will definitely do an alert so that folks will know where that is, where to find it on our webpages, and evaluate the proposal. The other thing you'll see in the Federal Register Notice that came out yesterday is all of the logistics
about how you could request to do an oral
presentation, or a witness at the hearing, and the
timeframes for submitting comments.

I think our date is June 12th to get all
of the comments in. So, you'll have plenty of
time to evaluate the proposal once we post it.

And then, the other thing that I wanted to really
focus on is, after the hearing is done the TPAC
will review all of the comments from the members
of the public. They will issue a report on their
recommendation to the Agency, as to what we should
do in the next stages of our fee setting. That
report will also be made available to the public
when that's done, and it will give us input, if
all of our timelines align, it will give us input
to be able to do the Notice of Proposed Rulemaking
there in Stage 3.

And I just want to highlight that
because if you see Stage 4, that is the second
opportunity for the public to provide comments
into the fee setting process and into the
proposal. And I just really want to encourage
everybody to provide your comments to TPAC in Stage 2; provide your comments to us in Stage 4, because the more lenses we see this through is going to just really help refine the proposal and make sure that we get the best fee schedule out there that meets everybody's needs.

And then, you'll see Stage 4; 5 ends up being where the -- I'm sorry -- 5 and 6, where the final rulemaking happens and there is a Congressional comment period. All of this takes a bit. It's a very long process, as we published in our 2024 President's budget, we're anticipating fee changes happening in fiscal year 2025, and that aligns with when we look at our forecasts that we're in that FY '24 President's budget.

So, from a financial position perspective, we feel like all of these things are aligning at the right time, and will be nicely, and until then I think we can continue operations with -- in trademarks to meet some of the priorities that they have already talked about was like, pendency, and some of the other things that
we're working on.

I think that is the end of -- that
summarizes the process. And I think -- am I
turning it back over to Dave?

MR. MILDREW: Take any questions.

MS. PICARD: Oh, any questions, if
anybody has? Yeah.

MS. BROWN: I have a quick question,
Michelle.

MS. PICARD: Sure.

MS. BROWN: Just in relation to the
opportunities for the public to give comments and
feedback, I assume there will be clear directions
in how, where -- where and how they --

MS. PICARD: Yes.

MR. MILDREW: -- can submit those to
both us, as well as to you?

MS. PICARD: Absolutely, in the notice
that published yesterday, there is an email
address and how you submit the comments, and you
actually submit them through the Federal
eRulemaking portal, and then all of those will be
MS. BROWN: Perfect, thank you.

MS. PICARD: Sure, hi.

MS. FREDERICKS: So, this is Jomarie Fredericks. With respect to the whole debt ceiling issue that we have been hearing about so much about, how will that affect the USPTO?

MR. MILDREW: Oh, you want to give that one to me, huh, Michelle? Okay. I see how this partnership rolls here, tag on that great question. (Laughter) I'm glad you asked it.

It's been certainly in the news recently, and I think the best way I can answer that question is to say, it's not just a USPTO issue or problem. It really is a United States government issue and problem.

And I think if I have the numbers correctly, I think we -- that Congress has increased the debt ceiling up over 70 times since this mechanism came into effect and each time it was raised. Because the risk of not raising it is to default of the good credit of the United States
government and that would really harm, not only
our country, but all of our industry and
businesses and so I don't think anybody wants to
do that, that's the good news.

There is enough time for Congress to
work out an agreement with the Administration and
we believe that that's what happen is that there
will be an agreement on raising the debt ceiling
so that that the government can continue its
operations and not default on its debt.

And, but again, it's a much broader
issue than just a USPTO issue. And as of today,
we have received no instruction from the Treasury,
who really is the Agency, the Department Agency
that's responsible for managing the government's
macro accounts. And so, they would inform
agencies of priorities for paying additional debt
should we default.

And, again, I don't think that will
happen. It certainly hasn't happened in the last
70 plus times in the past, and we assume that
there is enough time that a negotiated deal will
be worked out. Thank you for the question though.

MS. FREDERICKS: Thank you, and fingers
crossed, too.

MR. MILDREW: (Laughter) Yeah. Yes.

MR. ENNS: Sean, if I could, and
Michelle, first, as Chair of the Finance
Committee, which means I'm in charge of asking
dumb questions of you guys.

MR. MILDREW: (Laughter)

MR. ENNS: I really want to compliment
both of you and your team --

MR. MILDREW: Rod, could you move the
mike closer?

MR. ENNS: Oh, sorry.

MR. MILDREW: Yeah, great.

MR. ENNS: Is that better? Okay, great.

I really want to compliment both of you and your
team on the -- not only the command you have of
the subject matter, but your great skill in
communicating it to us laypeople who are mainly
trademark lawyers. So, we don't do finance as our
first job, right. And so, I really appreciate the
handholding and the insights that you're able to give us.

I wanted to ask, you know, just as a layperson at first glance, looking at the financials that Sean, you just presented, you kind of see, well, filings are under plan; operating reserve is going to lose, you know, 65 million by current projections. My first reaction is, should we panic? And I think I have learned from you this week, the answer is no.

MR. MILDREW: That's the right answer.

(Laughter)

MR. ENNS: Thank you. And I thought it might be helpful if you could just explain a little bit more of the tools that we have. And I think these kind of events are not unanticipated, is what I'm saying. But so what levers do we have to be able to manage, as we go forward, when things trend like that?

MR. MILDREW: Well, thank you for your kind remarks. I really appreciate that. And I'm going to tag Michelle for this one. How about
that?  (Laughter)  You see how this works?

MS. PICARD:  Surely.  I think the key
tool during this kind of just financial changes,
one of the things that, you know, all IP offices,
including the trademark business area is just,
it's volatile.  It follows business cycles.  It
follows the economy, and we know that.

And over time we have really matured our
financial sustainability through the operating
reserve, having fee setting authority, all of
those things so that, you know, you look back 20
years ago, things like this happened and, you
know, we stopped spending this, we stopped doing
IT, we didn't hire, we let the back -- because we
didn't have the tools.  And, today, that operating
reserve has just allowed us to kind of slow and
steady, you know, keep the course on our key
goals.

Does that mean that we're going out and
spending, you know, unnecessarily?  No, it doesn't
because we do want to conserve.  We do want to --
we don't know what future is going to be, so we're
being very diligent about our spending and our plans, and we monitor our fees coming in every day. We're reforecasting every day, looking at all of this and just -- so I think that's why when we look at that, it's like, ooh, it sounds really scary, but I think the key thing is, we have this operating reserve and it's doing its job.

We had put it in place, we have minimum levels, we have optimal levels, and we manage to those to keep within this kind of framework, and the minimum level when it starts approaching that that's where we go, okay, I think in the future we need to start adjusting fees to make sure that it doesn't go too far.

And if you look in our 2024 President's Budget, the trend is about 2025, is where we're going to be approaching minimum. So that's the time when we're like we should adjust our fees and make sure that we're getting ourselves back on the right trajectory. So, I think between the operating reserve and fee setting authority those are the two really key tools that are keeping us
operating right in that sweet spot and allowing us
to continue to execute on our long-term decisions.
Thanks for the question.

MR. ENNS: Thanks very much.

COMMISSIONER GOODER: Any other
questions on the finance part? Okay. Thank you
all very much, we appreciate it. Next, we're
going to turn the stage over to Dan Vavonese, who
is our Deputy Commissioner for Trademark
Operations. That's the part of the Trademark
Office that examines applications, deals with
everything post-registration, and all of that.
So, Dan, I'll turn it over to you.

MR. VAVONESE: Good afternoon, happy to
be here today. I'm going to take a few minutes to
go over trademark operations and kind of give a
status update on where we are. So, first, a quick
reminder, on our five strategic goals that we
have, first Action pendency and disposal pendency.

That's time from filing of the
application to either the First Action that's sent
out, the first determination on the case, and
disposal, which is either registration or abandonment of the application, as the final disposition of the application.

So, our goals for this year are eight-and-a-half months and 14-and-a-half months, respectively; and then in the quality area, we have three goals. We have first action compliance, and disposal compliance, again, same measures for at the beginning and at the end of the examination of the application. Compliance is, did we make the right decision on the case?

And then, exceptional Office Actions is a holistic view of the entire Office Action: Did we not only make the right decision on the case? Did we give a well-detailed explanation? Did we provide the right amount of evidence in the level of the search that was done in the case itself?

So, I'm going to start with quality. I'm happy to report that mid-year, we are well-exceeding all three of our quality goals, both in compliance and we're at 97 percent and 98.6 percent respectively, so we are doing a very,
very good job on the compliance part of making the
right decision on the case.

And then, exceptional Office Actions,
again, we're at 57.5 percent, and exceptional
Office Action is well -- well in excess of that 50
percent goal that we're shooting for. So, I want
to thank all of our employees for just putting out
such a high-quality work product, which I know our
customers really appreciate and what they're
receiving from the office.

So, let's move on to pendency where
obviously we've been in a challenge the last few
years after the surge and trying to catch up, and
with the goals of eight-and-a-half months and
14-and-a-half months, respectively, we are exactly
on eight-and-a-half months and 14-and-a-half
months, respectively and this is average monthly
pendency.

I'll explain a little bit more about
that in a minute. But, as you'll see, the trend
that's been up over the last couple of years, we
are stabilizing. We're stabilizing around that
eight-and-a-half month and 14-and-a-half month,
and we are hoping that the trend is going to start
to show down, start to move downward. And in the
next couple of slides, I'll explain why we think
we're moving in the right direction. (Slide) So,
as Commissioner Gooder said about the inventory,
you know, we had a peak in September of 2022,
where we were up around -- over 550,000, closer to
555,000 new application classes. An unexamined
application inventory is all of the applications
that have been -- since the filing date until that
first office action goes out, that's how we
measure the inventory.

So, since September, we have seen almost
a seven percent drop in our inventory. So that's
good news. We are staying ahead of filings that
are -- enough ahead of the filings that are coming
in, and we are starting to see it trend downward
in our total inventory that's in the backlog.

So, that's a direction that we obviously
want to keep moving on, and this goes into a
little more detail. It's similar to the slide
that was shown earlier with the three months
trends and seven-day trends. This is how many
filings are coming in the door versus how many
first office actions are going out the door, and
the only way you actually start to cut into the
backlog is when you're putting more work out than
you're receiving in.

And the trend definitely most recently,
especially over the last six to nine months has
been a good trend downward and that this is just
showing the amount of applications coming in each
month versus the number of first Office Actions
going out each month.

So, comfortably, we have been seeing
that trend downward and that gives us some hope
that the inventory will continue to drop and once
we get though some of the aged applications in the
backlog, we will start to see a drop in pendency,
but it will -- as I have said before, it will
continue to take time. (Slide?)

So, for current processing timelines,
one thing I want to focus on here is, you know, I
have mentioned in several other TPAC meetings, we
continue to update all of our processing times on
our website. And while we talk a lot about first
action pendency and disposal pendency, the surge
and the rise in filings across the board have
impacted not only first actions and dispositions, but
all areas of our office.

And, you know, our Trademark Services
Unit, which handles all of the filings that come
in and out the door, they're the ones that are
keeping up with all of that work, and new
application processing, responses to office
actions, Madrid filings, Statements of Use, and
post-registration maintenance filings.

They are the ones that are keeping up
with all of that work that's coming in and out.
And, you know, I want to thank them for keeping
up. Because, especially in post-registration,
just like you have seen the surge in the
applications, we continue to see increases in
maintenance filings as well.

And, you know, the good news in
post-registration, especially as we have 10 new specialists coming on in the next two weeks, so we're getting more help coming in to help with that as well. And, you know, again, they do a tremendous job across the board throughout Trademark Services to keep up with our work. But we continue to update those processing times on a monthly basis, so you can check there to see where the other -- where those areas are keeping up.

The other thing I want to point out is with first actions and disposals. eight-and-a-half months and 14-and-a-half months, that is our strategic metric is based on average months pendency. It's the average in the dates of the files that are being sent out for a first action to disposal. That timeframe is always a little different than the actual files that are on the examining attorney's desk because of how we have some Madrid filings that catch up to the front because of their older dates. We also have some other files that are connected together because for the same applicant for consistency purposes.
So, we thought we were getting a lot of questions about the -- it's not really eight-and-a-half months, it's more like nine-and-a-half months. So, we're setting up a new tracker on our website that's going to be a measure that's going to show a two-week timeframe of the applications that are generally on the examining attorney's desk.

And I don't have a graphic for it yet because we're still working on it. It's going to be out in a couple of weeks. But, again, this shows the similar trend downward in the currently processing age of the new application. These are the first office actions that going out.

And that date there, because we have to send these files in a little -- the slides in a little early. That's actually been updated. We are now at June 30th to July 14th, and the hope is that we continue to catch up on that and get those timeframes even cut down even further. So, stay tuned on our website, probably in the next month we're hoping for, we should have that information
and that will help allay some questions that people have. They have often call into our Trademark Assistance Center, so this will help, you know, resolve some of those questions that are coming out. (Slide?)

On the examining attorney's staffing side, you know, so FY 2023, we have hired 87 examining attorneys. And as Commissioner Gooder mentioned, we just hired 40, as of Monday of this week, so welcome to them, and we'll get them caught up on the job.

And the Trademark Academy that I have mentioned before, this is now our fourth class hired into the trademark Academy and, basically, it's a way to streamline and be more consistent in the training of all our examining attorneys coming in for that first -- for, you know, within the first year of their job.

And it's been very successful so far, and we're continuing it. So, that's good news that we are continuing to move into that progress. Also, on the Trademark Modernization Act, a couple
of reminders here. We did institute three-month flexible response periods for the pre-registration responses to office actions in December and that has been pretty smooth.

I mean, we are in that -- we're almost at the end of that time period where we overlap between the old six-month response periods and the new three-month response periods. By June, we'll be past that overlap. And, you know, we have seen an increase but we're obviously dealing with it. And then the second phase of the three-month flexible response periods is for post-registration and that's currently slated for October of 2023 to switch to three-month response periods for post-registration. (Slide?)

The last thing I want to mention, you know, we have talked a lot about what do we do to help with pendency? What do we do to help internally in our process? And over the last few months, we have been having a lot of internal discussions to look at examination efficiency, especially the process that the examiner tries to
handle, to go through their applications.

As you saw earlier, we have several quality measures including an exceptional office action. Well, the exceptional office action requires a lot more work to get those -- to put a lot more work into that first office action. So, we are looking at that and we're trying to balance our pendency and quality expectations.

We know that our customers want that initial determination as soon as possible. So, how do we balance that; how do we balance and still make sure we're getting the information; how to resolve the issue if there is a refuse or otherwise; but to get that determination out there quicker and easier.

I have listed a few of the different topics that we have been talking about so far. I want to point out specifically, the identification process. We have been, you know, we have the difference between TEAS Plus and TEAS Standard. TEAS PLUS, you have to take an ID out of our acceptable identification of goods and services
manual. TEAS Standard, you do not have to do that although sometimes our customers still do take IDs out of the manual.

It's a ton of work for our examining attorneys to go through custom IDs, determine which ones are acceptable or unacceptable, and then to come up with suggestions for when they don't know what the Applicant's doing, they're often taking guesses.

So, we're looking very closely at that of the process and how we can be more efficient, and then I'm just going to put out the call right now. Because, you know, we often get questions how, you know, from customers, okay, how can I help? How can we help on this?

Identifications is one place where we can really use the help, you know. I guess one way, the easiest way to say it is, look at the ID manual first, you know. If you can look at the ID manual first, if that can't give you the identification you want then we understand. But, you know, hopefully, if you can give us IDs out of
the manual, they're already pre-approved; they're already accepted.

   It's that much less work to go through the administrative part of the determining the acceptability. But also, it also allows us to make our analysis, streamline our analysis because we're not trying to guess what the goods or services are because we have a clear identification of the product or service that you're applying for. So, just a quick callout on that, you know, we appreciate any help we can get on that.

   COMMISSIONER GOODER: And if you don't see the goods and services you want, submit a request for them?

   MR. VAVONESE: Yes, so the other thing, TMID suggests is another option that's right, we have an email box, since there are IDs that are not in the manual. You can always make a request into that mailbox, and they can work with you on whether, okay, this is an ID that should be accepted, or more likely, well, here is an ID
that's already in the manual that really more closely matches, you know, what you're looking for. Thanks for that reminder.

COMMISSIONER GOODER: So, Dan, thank you very much. It's a very challenging time right now. I know we have been asking you, you know, do your best and it looks like the pendency issue is starting to maybe flatten, now to have plateaued. So, let's hope that there is no other unexpected increase.

One question about the identification process. If you could share with us how you measure this as being, you know, how should say it, effecting the efficiency, you know, creating -- how do you measure or determine that this is taking a lot of time out of the measuring factors?

MR. VAVONESE: It's because our examination process is already very streamlined. I mean our examining attorneys do a lot of work on the application in a short amount of time, you know. That's how our system works. So, we don't have like measures down to, okay, this is how much
time it takes on particular issues, but what we have, you know, in our discussions with the examining attorneys.

And you can, you know how much time you're spending to go through a -- whether it's a very long ID and we've -- and I think we have talked about that in the past. We have long IDs that take an inordinate amount of time, that could take hours and hours just to go through a long identification, and especially on an international application or otherwise.

But the other thing is by, you know, talking through and, you know, we have tools that help match up similar to the identification manual. But we are able, just through discussions with our employees, to understand how much time they're actually spending on each identification.

Because they have to go through each one, indicate whether it's acceptable or unacceptable, and then come up with a suggestion, if possible, because they're trying to help move the application along so that the applicants can
give us a response back, you know, and get us moving forward to approval hopefully.

CHAIRMAN CHO: Thank you, I understand that. I guess another point is that I thought you all did this -- and it gives you one piece of information, you look at your office actions, right, how many are having IDs?

MR. VAVONESE: Yes.

CHAIRMAN CHO: Within the IDs, how many are there that are lengthy ones?

MR. VAVONESE: Yeah, right.

CHAIRMAN CHO: So, I imagine that's something you all would also --

MR. VAVONESE: And we have 10 foreign paragraphs, so we're able to measure the number of office actions that are going out with those identification issues, yes. Yeah, Jomarie.

MS. FREDERICKS: Hi, Dan. I mentioned this the other day, but I do -- my company does a lot of non-traditional services claims, and we've actually found the help that the examiners are able to give to be invaluable. I understand that
it takes a lot of time, but for us it's not usually really a shot in the dark. It's more of taking what we have given them, and then showing us a different direction that would be acceptable. I know you're in the process of, you know, considering fee raising, is there maybe there could be an additional charge for this service, if it's not just a cookie cutter response, something like that. I don't know if you have considered it. But rather than having the service go away all together, which sort of gives me a sense of panic, because sometimes I just don't know what you're looking for.

As we have talked about, then you're just going to get a phone call, right, and that's going to take the examiner time as well. So, it's just a thought. I'm sure you have considered various options.

MR. VAVONESE: Yeah, I mean, we're considering various options, and I'm not -- don't take from this that we're taking it out of the process. But, I mean, we are considering all
options. I mean, obviously, this is an important part of the examining attorney's job is working with the Applicants to come up with an identification where it's, especially what you're talking about.

Services are more difficult. You know, they're not as easy to just, okay, this is a clear product, you know. So, sometimes that work that we have to go through is necessary anyways. But, yeah, we're looking at all options and will continue to do that.

MS. BROWN: Thanks, Dan. It's me right here, Adraea. You know, I do appreciate the updates on pendency. Obviously, it's an issue that you have been tackling. I know we ask a lot of tough questions about it almost every quarter when we speak, and I think the idea of collaboration and asking for support certainly makes a lot of sense. And to borrow a page from Dana's book, you know, how can we help, right, or how can -- is there a way that the public can help, like, you know, that we could potentially --
I know that IDs are one part but, you know, ideas or thoughts, or something like that, is that something that the office would be open and welcoming, like, if we have any -- or the public has any ideas as well for how they could help or, you know, what could be done?

MR. VAVONESE: Oh, very much, you know, I mean, we'd love any help, and we can -- you know, whether we can figure out other ways to get together with our stakeholders to get ideas. You know, I mean, my email address is on the slides.

I am always happy to take any suggestions and we have I forget what the general TM. Is it TM suggestion now? I forget what the latest -- no, just the general suggestion, if you want to in -- the public wants to send in comments.

MS. BROWN: Okay.

MR. VAVONESE: We have a general email box, too, that where customers can send in suggestions as well.

MS. BROWN: Got it, okay.

MR. VAVONESE: -- regarding our process.
But I'm happy to take anything as well.

MS. BROWN: That's awesome. Okay, so everyone can email Dan, as much as -- no, I'm just kidding.

(Laughter)

MR. VAVONESE: Not all at once, but yes.

MS. BROWN: So, yeah, within reason.

But, of course, you know, we're still having our TPAC meeting. So, if you have questions or just a reminder, right, or ideas even right now during the meeting don't hesitate to email us at TPAC@uspto.gov. So, yeah, thank you.

MR. VAVONESE: Thanks.

COMMISSIONER GOODER: Anything else for Dan? (No response) Okay, thank you, sir. All right, sir. All right. We're going to pass the microphone and the remote, otherwise known as the clicker, down to Greg Dodson, who is our Deputy Commissioner for Trademark Administration.

MR. DODSON: I see that Michelle left.

So, Sean, if I need to phone a friend, I'll just hand the microphone to you, as well, so, okay.
Well, good afternoon, everybody and welcome. It's great, again, to be virtual -- or not virtual, totally virtually, it's great to be hybrid with some people in the room and I just love it. So, welcome.

I have got a pretty easy job today. I get to hand the microphone off to my colleague, Glen Brown, who is the Group Director for Information Technology, and he's going to kind of unpack a little bit of what we're doing on the IT front, but I just wanted to set the stage for a moment just to kind of get everybody in the same place.

You know, it's when we wake up and come to work on Monday morning, it's going to be May. And it was a year ago in May, in 2022, that we started the conversation about retiring TRAM. If you had been following along prior to the pandemic, and then during the pandemic, you'll know that you might have heard the term "TRAM," but you would have heard a lot of other things in front of TRAM and you might have -- you might
remember the conversation with the big rocks.

And as the Commissioner used to like to say, we were crushing the big rocks. But TRAM wasn't really one of the big rocks. It was at the end of process and TRAM was going to be ultimately retired in the summer of 2024, when really all of the other capabilities were brought online.

And I know Glen doesn't like me to characterize it like this, but I do. We were going to kind of make TRAM obsolete by having a bunch of new stuff that we were going to develop and just kind of all of a sudden at the end of the road, TRAM was going to be there, and we weren't going to need it any longer.

It was May, like I said, of last year, when the Commissioner David Gooder and our CIO, Jamie Holcombe, stated having some serious conversations about whether we were going to re-strategize the IT program and the entire process. And, ultimately, by July of last year, they agreed that we would put TRAM at the front of the line and work to retire that first. And you
can imagine over the course of the many years that
we had kind of been working to develop things like
trademark examination, and some of the other tools
that exist right now, that reprioritizing was a
bit of an emotional event for a lot of people.

But credit to all of the folks that we
have working on this process to be able to
internalize that and work with. And I just want
to call out a few folks. We've got, at the end of
the table down there, the two presidents of our
bargaining units.

And, you know, with the help of Mr.
Besch, who works with the help of the examining
attorneys, we were able to gather a whole bunch of
the requirements that we needed in order to
develop a trademark examination.

Mr. Ross, many of his Bargaining Unit
employees work for us in the form, on the IT side
of the house. His business analysts are the
interlocutors between the people that develop the
requirement and the people that actually turn that
into IT. And so, they sit in a really, really
important spot within this process.

And, you know, we couldn't have got Dan, you know, likes to call out the folks on his team, and rightfully so. We have a lot of people that do a lot of really, really, really good work.

Most of the IT people that work for us, for Glen, who you're going to meet in just a moment, are NTEU 243 members and they're deeply engrained and involved in this process; and then, and as we work to develop these capabilities, obviously, we certainly rely on the work that they do.

So, I want, you know, as we get really, really close, you know, in July of last year, or September of '24, seemed to be like far enough in the distance, you know, remember when you were a kid and you started school and summer vacation seemed like, oh, my god, I'm never going to there?

Now that when you get a little bit older, it's all of a sudden summers kind of come pretty quickly and so we're five months away from the retirement of TRAM, and that is a serious credit to a lot of the people. And I wanted to
just kind of call that out before I handed the
microphone over to my good buddy, Glen.

            But, with that, unless there are any
questions for me -- oh, the other thing that I
wanted to say real quick is -- because I looked
over at Adraea and I was like, oh, yeah, I
remember now. You know, we used to -- I was never
a Marine, but there used to be a thing that we
used to do once a month and then we had a
subcommittee for IT, and it was kind of like a
crucible for us on the IT side of the house,
right.

            We would gather with our CIO colleagues,
and we would sit down in a room and at our TPAC,
IT Subcommittee folks would grill us and they'd
ask us a bunch of hard questions. And I want to
say that we don't do that anymore, and I
appreciate that you guys.

            Because one thing, it does two things
for us: Number one, it really kind of gives us a
level of confidence that we're doing our job
correctly because the reason that we had this IT
Subcommittee, and we did some of these things was that IT wasn't really performing too terribly well in the beginning.

And I think from our perspective, you know, the fact that you felt like we could stand down the IT Subcommittee really makes us kind of happy, you know, not -- because, one, we'd have to do all of the work that we were doing before to kind of feed the request, but at the same time it gave us a real vote of confidence that we were doing a good job.

And so, I want to just kind of call that out. All right. So, if there --

MS. BROWN: We miss you though, Greg, we do miss you.

(Laughter)

MR. DODSON: Yeah.

MS. BROWN: So, we won't have to -- we miss you.

MR. DODSON: Not that much though, right?

(Laughter)
MS. BROWN: A little.

(Laughter)

MR. DODSON: No, but, actually, we like doing that. It kind of kept us -- you know, one of the things that it forced us to do was to put things down on paper that were sometimes just kind of out there. And so, but, yeah, we'll -- if we ever need to do it again, we could always stand it back up.

So, if there are any other -- aren't any questions for me, Glen, are you online?

MR. BROWN: I am. Can you all hear me okay?

MR. DODSON: All right, Glen, over to you, thank you.

MR. BROWN: Okay, good. All right. So, could we get those slides advanced to, I think it's slide 40 we're up to at this point -- (pause) -- and you can just do one more. Oh, great, he's got the clicker, good deal.

(Slide) So, Trademark IT Priorities, next slide
(Slide) So, Trademark IT priorities, I'm going to kind of walk you through what our IT priorities are. We brief these out the last time, so this is -- and maybe the time before -- but it's just kind of to recap in case folks, you know, just need a reminder, or anybody new on the phone, but you're on the call.

We, basically, said TRAM, the TRAM mainframe retirement, you know, that's the 40 plus year old TRAM Mainframe, as to get off of that mainframe, you know, by September 2023, that's our number one priority. So that kind of (inaudible) of work that we were going to do about, you know, nine months ago, or so, but were committed to getting off of it by September of 2023.

The second big priority is, you know, also modernization of our TM exam.

CHAIRMAN CHO: Glen, Glen, sorry.

MR. BROWN: And you'll --

CHAIRMAN CHO: Let me interrupt.

MR. BROWN: Yeah, sure.
CHAIRMAN CHO: Glen, we're having trouble on your mike.

MR. BROWN: Oh, okay.

CHAIRMAN CHO: I mean, you're coming in, but it's not as clear and loud. I am too loud.

(Laughter)

MR. BROWN: Was it, you said it was too loud?

CHAIRMAN CHO: No, I'm too loud.

(Laughter)

MR. BROWN: How do I sound now? I moved the mike a little closer to me?

CHAIRMAN CHO: Better, much better.

MR. BROWN: Okay, good deal. All right, sorry about that, and thanks for the feedback.

So, again, TRAM mainframe retirement is the number one priority, followed by TM exam modernization, and the four slides I'll show you some of the progress we have made on each of these.

We're also going to continue with the Trademark Trial and Appeal modernization work because they're in the middle of modernizing as
well. They have a team devoted to do network. We also wanted to make sure that we supported trademark, any international treaty obligations is our number five priority.

And the last one on the list, on the bottom right of this slide, you'll see that we're also need to replace our search system, the backend search system, which is currently based on BRS Open Text, the vendor is basically no longer around to support the product, so we need to be off of that by the end of September, as well. (Slide) Next slide, please. All right. So, this is just instead of a recap of what we did to basically focus on making TRAM the number one priority. And this was presented before but, you know, it's just kind of a recap of everything that we did, where it was, you know, we added teams. We reshuffled resources from one product team to another.

Some of the focus area down near the bottom is, we have some Legacy code, we call it, that's called FAST2, where we're going to be
basically staying on that client-side code, the legal instruments examiners use but making it work against the modern backend platform.

And then, we also for on the TEAS front, TEAS, lot of those forms that are relying upon TRAM to work basically. So, we're recoding them, refactoring is just the fancy way of saying that we're opening up the code. We're reconfiguring the calls that the code makes from one database to another. So, we'll redirect all of those calls from the TRAM mainframe to the new platform that we call TRM.

And you'll see, for TEAS, specifically, everywhere you'll see dates we're going to start doing deployments for FAST2 in July, and then TEAS, we have six releases to basically do those in batches, you know. We did one already and it will go through August, is when we think we'll be done with all of the TEAS forms refactoring of code. (Slide) Next slide please. All right. So, on the Trademark exam modernization front, hopefully, it will show up well on your screen,
but we have bolded some of this stuff that's already been done, so transitioning the first thing that we did back in December, first, is transition all of the examining attorneys off of the Legacy FAST1 code base, which is the client that we use, a Windows code that we use to examine trademark applications and process them, and we put them on TM Exam.

That was done on December 1st, all of the examiners are therefore now using the modern platform entirely. And then, two days later, we implemented the phase 2 of the Trademark Modernization Act. And then you'll see the next few lines, we have deployments that went to our Post-registration Business Unit, our Petitions Business Unit, and then more changes for the TM -- or the trademark examining attorneys on April 1st.

And then you'll see we have a cadence, you know, you'll see the dates falling out there for -- you know, we're just continuing to do deployments in, you know, July, October, you know, September. That's basically the cadence of what
we're going to continue to make and add features
to these business units for them to continue to
fully adopt the modernized platform.

And the same thing for the examining
attorneys, we have pockets of improvements and
changes that need to be made to basically make
sure that they're fully off of TRAM and they have
the best tool, you know, experience that they can
have while they're doing their work.

And then, just a few, like, just over
about 10 days ago, 13 days ago, we started the
process to remove that FAST1 code base off of the
universal laptops that the examining attorneys
use. So, that Windows code, which was the FAST1
code base was, you know, 20 years old, that's
coming off, you know.

And I think it's probably completely
removed by now, and then here are some backend
servers that used to support FAST1 that really
will be shutting down in September. So then, so
that huge chunk of Legacy IT that was relying
upon, you know, Windows code on the client side,
some old servers in the middle, and then TRAM on the backend, all that stuff is going to be off of the campus by September. So, it's good news, we're making good progress.

(Slide) Next slide please. This was our third priority. We ave plans to, basically, take all of the Legacy forms that we currently have. I think there is like 58 of them, and we're going to try over time reduce them down to about seven forms.

And the first area that we're focusing on is the initial application forms. I think there is -- I think it's about seven forms all together. We're scheduled to do a deployment that we call or refer to as the minimally viable product (MVP).

I believe it's going to go out later this summer, then we'll deploy the complete initial application late summer or early fall for people to use in parallel with TEAS so that we can
get that feedback and make those continuous improvements.

There will be some abated period testing for that initial application form, and then the target date is that it would go completely live in October of 2023, and probably run in parallel with TEAS refurb (phonetic) at that time anyways. We're going to see how all of that goes, but that's the advantage of Agile(s), we can kind of tweak things as we go along, as far as, you know, if we're more successful, we can, you know, retire the initial application forms off of TEAS earlier, but otherwise we'll run them in parallel for a while.

And then, the next bullet is just basically some work we did on TEAS to support the Trademark Modernization Act Phase 2, which that's completed. That happened back in December, as well, just wanted to put it up there as a remember of some of the work that did kind of on the lines of modernization.

(Slide) Next slide please. Our
TTAB Center work. I am not really going to go through this because I'm not familiar with all of the ins and outs of what TTAB Center's feature sets are, but they have been working on what they call the Notice of Opposition, of course. That's on one of the forms, and then some of these sub-bullets are basically some of the items that they're working on. They're getting ready to do a production release.

TTAB Center is TTAB's modernized platform. So, they are continuing to work on that. And, you know, it's good news on that front as well, because it's been a long time coming for them to, you know, get some modernized efforts going on as well. (Slide) Next slide please. And our fifth priority was a course to support any Trademark International Treaty obligations. And the only one that was on the horizon that we knew about when we reestablished TRAM as the number one priority was that we knew we had to support MP3
audio and MP4 video exchange with the
International Bureau.

So, we wanted to keep that up there
because the work was already started and so we
just made this a priority. That work is completed
though. So, as of now, there is nothing else on
our radar really that where we have any
International Treaty obligations. But we're going
to keep it as a number five priority regardless,
just in case, you know. But pretty soon we'll be
able to just drop this one off as, you know,
stated priority. (Slide) Next slide please. All
right. And then, the last one, we never really
gave this a number. And, regardless, it's the
sixth one on the list and it's highly important as
well. As I mentioned earlier, the vendor is on
the backend of the search database for XSEARCH
internally, and the public you all know it as
TESS, you know that vendor does not want to
continue supporting this product anymore. So, we
need to get off of it, and I think this is our
last fiscal year.
It's also part of -- tied into TRAM retirement. So, what we will be doing is adopting a search platform called Elasticsearch, which there is one on the Amazon cloud. It's got some really cool features, but we've been doing some proof of concepts with it internally.

Right now, we're also now building the client-side replacement of XSEARCH to work against the elastic search platform and we expect to deploy that right now, for XSEARCH is July 28th. We'll run that in parallel until October as -- you know, when we need to basically do the full cutover is the plan.

So, TESS, we also have what -- we're kind of calling it a simple user interface search, but it's got a lot of features in it, even though it's a bit simple on the first pass, and that's what we're going to be starting to use to replace the TESS client.

And what our plan is is to, you know, over the summer, you know, late summer or mid-summer, late summer, we will be doing a series
of beta testing with some -- an expanding set of
data tests with public customers. Eventually,
we're going to put this simple user interface out
there, side-by-side with us so that, you know,
people could use them in parallel to get
comfortable with them.

But the same date, October 1st, is when
we really need to cutover and stop using legacy
tests and start using this new simple user
interface. We have got to name it, you know,
that's going to be part of the fun in the coming
weeks is we're going to have to give it a name.

I don't think we're going to call it
TESS anymore. We're going to give it a brand new
name just for, you know, public branding, and what
not.

So that's, I think, the end of my
slides. But, like I said, so, two areas where
we'll be doing some outreach with the public
through some formats of beta is with the initial
application forms for eFile, as well as this
simple user interface or TESS, or for the new
search system.

And, Greg, I think that's my -- is there one more slide, that may be it? Okay, that's it. So, I'm happy to take anybody's question.

MS. BROWN: Thank you so much, Glen, and Greg. Let me just start by kind of reiterating what Greg was saying. We know that this is a lot of work, for sure, that goes into all of the -- everything that you have been able to accomplish this far and all of the work that you have going on.

I know we see the highlights of it, but it's truly tremendous to see the amount of progress that has been made, the amount of projects that are at work, and we understand that there are a ton of people who are making that happen. So, a true kudos to you all for continuing to move the efforts along. It is truly appreciated.

Greg, to the extent that it felt like we were grilling you, that certainly wasn't -- that certainly wasn't the intention. We want it to be
MR. DODSON: I love litigators.

MS. BROWN: Sometimes, hey, deadlines, or meetings, or things like that, they help move things along, so to the extent we helped, we do appreciate that because that is the goal and what we love to do. Directly to you, Glen, I think it is exciting and is fantastic that a new filing system and a new searching system are coming to the public. I think that is wonderful news and I'm excited.

And to that end, I assume -- I mean it's great that they're going to be running parallel with the existing TESS and the existing TEAS application, but to the extent, you know, just wondering are there opportunities for the public, certain members of the public to sign up or to do some testing before it deploys?

I think if there are, that could be great, just wondering is that an opportunity or
something that is being looked into by the office?

MR. BROWN: Absolutely, we have plans, communication plans, and testing plans, you know, each one of those products, if you will, has a team of people, or an Agile team of people, they call a SCRUM team.

And that's part of their plan is to build an outreach effort and then target, you know, different expanding groups of public users to basically give them feedback. Because that's all about how Agile works, too, is that you have to start getting it in front of people sooner rather than later, even if it's like an early beta so that you can get that feedback, and then you're just into that continuous improvement process as you get closer to closer to what we call the minimally viable product which is, in our case, for both of those products.

A minimally viable product, we're going to define that as, you know, feature equivalent to what those existing systems do now. So, that's where we'll leave that input from customers
because they might catch things that we just
missed, you know. So, like I said, both teams are
going to be reaching out to the public in some
manner, you know, to basically get input from on,
you know, development.

MS. BROWN: That's great.

MR. BROWN: And then, Charlie Thomas
just popped into the chat.

There is a link, you know, to -- oh, it
just disappeared -- but there is a link to
basically volunteer, I think it is. I don't know
if you can talk, or if anybody wants to read it.
But I think that -- I think what it is is that
there is a way to volunteer -- let's see -- yeah,
customers can volunteer here. He's got a link
in the chat.

MS. BROWN: That's awesome. I encourage
the public to the extent you can, or you're
available, certainly, go in and give feedback.
Obviously, this is a system that the PTO is
building for the public, it's for users. So, the
more feedback the better; the better system it
will be. And, you know, I always say, you shouldn't complain if you have an opportunity and you don't say something.

So, if you don't want to be complaining down the road, go ahead and raise your hand and to volunteer for testing. So, again, that's all I had to say. Thank you. This is great.

MR. BROWN: Thank you. Thanks for the feedback and the questions.

COMMISSIONER GOODER: I also had one thing from Charlie Thomas, who just popped that link up, runs our customer experience operation, and both the search system but, especially, TM Exam have been built based on a lot of customer feedback already.

So things, features, in it that you'll see came directly from that in the first place. So, getting comments now is even better because it just more, more, and more, but it was not built in a vacuum, which is great. So, Charlie's team has done a tremendous job on this, so.

MR. ENNS: Glen, this is Rod Enns.
Could I ask you just to say a few more words to explain the minimum viable product concept? I mean because when you hear that it sounds sort of like, well, we're going to educate our kids with the minimum viable education. And, you know, everybody wants their kids, all of the kids should be above average, right? So, can you talk a little bit more about what's behind that and what the goal, ultimate goal is to achieve?

MR. BROWN: So, the concept of minimally viable product in the Agile, you know, software development, you know, methodology is basically you want to get -- you want to get a product, whatever that thing is that you're trying to buildout into being used in kind of like a production manner, as soon as possible so that you can get that feedback and continuing to make improvements rather than wait until like, you know, further on in the process where maybe major mistakes have been made and you can do corrections faster, if you don't -- if you were to have waited is the concept.
So it's, you know, getting that feedback, getting the customer involved, whoever that customer is, so that they can say, I need at least this to start working on this type of feature. The whole idea with Agile is that you have, you know, you put out what they called MVP, and then you continue to improve it and expand what its capability is.

But, again, the idea is that, you know, you fail sooner but the failures may not be as big and then you can continuously make those improvement is the just general concept. But for both of these products we're saying MVP, but what we mean -- what we mean in these cases, especially, is that they have got to be at least able to do what the current systems they're replacing are doing. So, for the initial application forms, you know, it's got to get the job done in the same manner with the initial -- the Legacy TEAS forms.

And the same thing for this simple search, simple user interface search, it's got to
be able to meet the needs of the customer in the
same manner that TESS currently is. And then the
point though is that both of those, you know, we
can then, especially for TESS, or for this elastic
search effort, there is a whole bunch of
capabilities that we haven't even scratched the
surface on.

But we don't want to do that. We don't
want a sample of all of that, you know, with what
we call the MVP, because, you know, that's -- we
just want to make sure we get it right first, and
then continue to expand its capabilities and what
not. So that's a general concept behind it.

MR. ENNS: So, if I understand, the MVP
is not an endpoint, it's a waypoint is that right?

MR. BROWN: Well, yeah, sure, that's
exactly correct, yes.

MR. ENNS: Thanks.

COMMISSIONER GOODER: Okay. Any other
questions?

(No response) All right. It

somehow slipped the schedule, but
we thought we would take a
10-minute break at this point.
It's 2:34, so why don't we be back
at 2:45, eastern, 11 minutes.

(Recess)
CHAIRMAN CHO: Hello, it's 2:45,
everyone to your seats. Dave Gooder will start in
a moment.

(Pause)
COMMISSIONER GOODER: Okay. If we can
get everybody to take their seats, we'll roll
along. As someone told me yesterday, a 10-minute
break is actually a 15-minute break, except today,
good. All right. Before we roll along, Dan had
one clarification on the suggestion email box.

MR. VAVONESE: So, well, I appreciate
and will take all suggestions that our customers
want to give. I did want to provide the correct
central TM feedback mailbox. So, if you want to
send any suggestions, or comments, or feedback,
tmfeedback@uspto.gov is the general feedback
mailbox. So, I just wanted to clarify that.
Thanks.

COMMISSIONER GOODER: Sounds good, thank you. Okay. If you have been looking around the room, you have realized that Amy Cotton, the Deputy Commissioner for Trademark Exam Policy is not here today. So we're, a couple of us are going to cover for her in the two key areas we wanted to talk about.

The first one is a little bit about our Petitions Office, which we don't -- we don't talk about near enough. They do an amazing job of dealing with a lot the things that come in that aren't specific to applications specifically, et cetera. And so, we thought we'd just give you a little background.

First of all, the Petitions Office is six paralegals, 21 staff attorneys, two senior attorneys, a managing attorney, it's a good size group of people. All of the attorneys are former examiners. I think it's fair to say that all of the paralegals have worked in various parts as legal instrument examiners, or moved up to being
paralegals, or they'll have a very long history at
the office.

So, when a petition comes in often they
raise really, novel questions. This is a really
experienced group that deals with them. What is
kind of surprising about them is the volume that
they deal with. In the first half of Fiscal '23,
they had 8400 actions. An action could be a
Letter of Protest, a Petition, any of the things
that they deal with.

That's up significantly from the first
half of Fiscal '22. Now, that's -- there is a lot
of categories. The biggest two categories are the
Petitions to the Director, Letters of Protest, are
the two big ones, and then from there, there is a
lot of categories.

You can see those on the slide and we --
there is a great deal that goes into those
petitions. They can be anything from trying to
correct something that happened in examination, or
a registration problem, or you name it, it's a
huge variety.
What's interesting is when you look at the types. So, prior to 1016, this is interesting, they were getting about a thousand petitions a year. That's only seven years ago. And then since they've -- we have been increasing just consistently, consistently along the way, so with Letters of Protest also, they seem to go up and down a little bit but they are also up this year, over the past years.

In terms of the docket progress, or the time it's taking to act on these types of things with petitions, what this shows is -- I'm trying to explain this accurately. When the lawyers and the paralegals pull a petition down from the inventory, it is now considered in the docket. They are dealing with it at that time.

So, in the last quarter of last fiscal year, they had 956 cases going. It was taking about 300 days. It dropped some in the first part of this fiscal year and the amount of time has come down again. And now, in this quarter, they have reduced that inventory by 25 percent and the
amount of days it's taking down to 185. So, they're making really significant progress.

What's unpredictable about what they have to do is the nature of what's in the petition. So, some of them can be quite straightforward, some of them can be very complicated.

Also, a lot of these attorneys were the ones who were dealing with TMA expungement and reexamination petitions. And for the first year of those, literally, every single one raised new issues, new questions, so it was taking longer to do that. Now they're back more on track. They have kind of dealt with most of the TMA kinds of situations, so they have picked back up a great deal.

With Letters of Protest, they are also the amount of days has gone from the end of last year to now, from 53 days down to 18 days. There is a two-month time period in the statute, so they're well ahead of the time period for Letters of Protest.
And just to remind folks, Letters of Protest are fact-based, not argument-based. So, to the extent that people are putting a lot of time into making and crafting brilliant legal arguments, it's not considered. It's the facts that they're trying to get so that the -- and then determine is it useful to the examiner.

Sometimes it's not useful, sometimes it is, and it just depends on what the facts are. So, the more fact-based it is, the more likely it is to get through. If it's a lot of brilliant argument, it doesn't really help much there at all because it's not -- it may be looked at by the Petitions attorney but that is not passed along to the examiner, only the facts are passed along.

So, like I say, the progress though has been great and they're turning around in the amount of time that they really need to be. So, with that, any questions about petitions? We have four petitions, attorneys all over the place here, so we can answer any questions that I can't answer. Anything? (No response) Okay.
The next thing we're going to talk about -- and I'll pass this down to Dan -- as many of you know, we have been engaging in something called Register Protection, not dissimilar to Brand Protection, that goes on in companies and brand owners. And we are thrilled to now have taken that program from a rag-tagged group of very sharp people, who were doing this in varying parts of their day job to now a full-time team with investigators and lawyers.

And I'm thrilled to introduce you to Montia Pressey, who is the new Director for Trademark Register Protection, and she's going to talk a little bit about what's going on in the office, and new scams, and all sorts of things. So, Montia, over to you.

MS. PRESSEY: Hi, everyone. I'm just getting used to this. So, I have been the Director for Register Protection for all of four months, so I'm still learning a lot about the STIA Group, in particular, our anti-scam group that we call it. Before I talk about the Register
Protection program, I'd like to show you the organizational structure of Trademark Examination Policy under Deputy Commissioner, Amy Cotton, and also where the Register Protection program fits in.

So, here are the Units in Exam Policy. The mission of the first six units, in burgundy, which includes the Register and Protection Office is improving and sustaining examination quality, improving the integrity of the register and also supporting trademark operations.

The mission of the last three units, shown in blue, is providing support and guidance to external stakeholders to improve the quality of the submissions across the entire registration process.

Next, turning to the Register Protection Office. First off, I want to mention that it does not actually, formerly exist yet. Currently, it's an informal office of one, but we're working through the steps necessary to stand it up as a formal part of our structure.
As the director, as Dave mentioned, I oversee three existing Register Protection programs, post-registration audits, ex parte expungement, and reexamination cases, and the anti-scam unit, which, as I mentioned, we sometimes refer to as STIA, or the Special Task Force for Improper Activities.

The work across all of these areas is performed by attorneys on work projects from other parts of other business units in trademarks, along with two paralegal professionals, who help us conduct audits. I have also been working with HR to hire permanent RPO staff soon. But for at least the time being, we're going to be continuing work projects.

As you might imagine, I realized soon after I started as Director, that scams would be the subject of many emails, meetings, calls, et cetera. There are four main types of scams that we hear about from our customers. Scammers tricking customers into paying inflated fees for fake or unnecessary services; scammers posing as a
USPTO and as our staff; scammers hijacking
applications and registrations; and scammers
hijacking or renting attorney credentials.

We do have some tools that we use to
fight against scams and to help protect the
register. Some of the tools the USPTO uses
internally, others are external stakeholders can
use to help us and support us in our efforts. I
will highlight some of those next.

So, first, through our Administrative
Sanctions Program -- and you've heard about that a
lot today, and Director Vidal also mentioned it.
We review suspicious behavior that violates our
rules. We look for evidence of efforts to
circumvent the rules, and we sanction rule
violators.

The program involves three primary
elements: Reviewing suspicious filings and
behavior for rules violations; monitoring
USPTO.gov accounts for suspicious filing behavior;
and referring any suspicious behavior by attorneys
to OED. Sanctions include, terminating
applications and sanction registrations;
suspending and even shutting down USPTO.gov accounts; and attorney discipline for misconduct including suspension from practice and referral to state bars for reciprocal discipline.

As I mentioned, the Administrative Sanctions Program is key to identifying violations of U.S. Rules of Practice, Terms of Use Agreements for USPTO websites, and the Verified USPTO.gov Account Agreement. Implementing the sanctions process has really brought the conversation about rules and rules violations to the forefront of trademark practice.

As part of the verification process to establish a USPTO.gov account, as I'm sure you all know, a customer must choose one of these listed user roles. If a customer doesn't fit one of these roles, they should not be filing a trademark submission with our office.

So, we monitor filing behavior to determine if a customer violates the verified account agreement. And, if so, we can issue an
administrative order to suspend or even terminate the USPTO.gov account.

Here are some of the most significant sanctions orders over the last several years. Some of them involving thousands of applications and registrations, most involved the unauthorized practice of the law, along with that specimens and improper signatures.

So, here are some of the highlights of our Administrative Sanctions Program. We should refresh this. We have some more recent stats. But, as of a few weeks ago, those highlights included issuing 150 orders for sanctions, terminating 19,000 invalid applications, and sanctioning 3500 invalid registrations, suspending five USPTO.gov accountings -- and, actually, that number is now closer to 10 -- and referring 34 individuals to OED for investigation and for possible discipline.

If you'd like to know about our orders and sanctions, you can view them using our new decisions and proceedings tool, where you can
search using keywords and filter by date, party name, and document type.

It's accessible on our -- the trademarks page, the main trademarks page, on the USPTO website. That database also contains documents about expungement and reexamination proceedings, the next register protection tool I'm going to tell you about.

So, as an external tool, a third party may provide evidence that a registration was not in use as of the relevant date. The director will determine if a prima facie case of non-use is made. If so, the director will institute proceedings.

As an internal tool, the director may institute proceedings on her initiative if their is evidence to support a prima facie case of non-use. In both scenarios, the registrant must respond with appropriate evidence of use. If the registrant cannot establish use of the mark, the registration is cancelled, in whole or part, depending on the scope of the goods or services
involved in the proceeding.

As of last week, 287 Petitions for Expungement and Reexamination had been filed. Of the petitions our examiners have reviewed so far, we have instituted proceedings in 132 of them, and not instituted in 79. Of the 132 instituted proceedings, 85 have terminated and resulted in full or partial cancellation of 77 registrations, and the cancellation of 867 out of 906 challenged goods and services.

So, obviously, the proceedings have been very effective so far in helping us to clear deadwood from the register. As of last week, along with the 132 -- then that should be 132, instead of the 127 you listed there -- instituted proceedings. We have also instituted 47 director-initiated proceedings cancelling all 370 of the challenged goods and services in the proceedings that have already terminated.

The team is currently in the process of instituting director-initiated proceedings in more than 100 registrations against a company that's
affiliated with the Trademark Auction site, where most of the new space registrations are advertised as unused, as if that's a good thing. But our examiners have already started issuing Notices of Institution. I think we're up to like maybe 20 of those, or maybe more.

So, onto the next register protection tool. Since 2017, we have audited at least 5,000 registrations a year, as part of our permanent audit program. And with the deadwood, as to the audit registrations because, of course, if they can't provide us with acceptable proof of use, those goods and services are deleted from the registration, or the entire registration cancelled.

In an effort to have a broader impact, in 2021, we implemented a $250 per class deletion fee. That fee is incurred when goods or services are deleted during the pendency of a Section 8 or 71 declaration, and it applies to all Section 8 and 71 declarations, not just to those in audited registrations.
It's only been a couple of years, so it's hard to really measure the full impact of that new fee. But we are seeing a downward trend in deletion rates for use-based registrations over the last few years.

Unfortunately, there hasn't been much downward movement so far in the Section 44 and 66(a) registrations, but we are hopeful that registration owners will eventually get tired of paying us extra money just, you know, because they file a deficient, or an inaccurate declaration.

Something to note about that 2022 deletion. Because the audit processing can extend 18 months, we expect the deletions to fluctuate upward some, as responses come in, but so far the number is looking pretty good for 2022, in terms of what we're seeing with regard to the decline in deletions.

And our audit examiners tell us that they're seeing more Section 8 and 71 declarations with narrowed IDs, and specimens that are submitted from multiple goods and services in a
class which, of course, we only need one, but they seem to be giving s additional specimens which kind of makes it audit proof, the registration, to some degree, because we only audit a registration if there is no proof of use that's available or provided for certain goods and services.

So, we're hopeful that it means that they're conducting their due diligence upfront, that they're confirming use and deleting goods and services where necessary.

Raising awareness to scams is another one of or tools. Unfortunately, it's unlikely that scams are going to go away any time soon, but our goal is to help customers to avoid being scammed. We had our very first scam awareness webinar yesterday. I think we had about 300 attendees. A recording will be posted on our website in a few weeks, if you missed it.

We provided real life examples of communication from scammers, and we offer tips on how to identify those communications as scams. We will be offering additional webinars, and also
we'll be sharing information about scams when we hear about it in your social media, as well as trademark alerts. We are also continuing to revamp our webpages on scams. We're refreshing our filing receipt, as well as the registration notice emails to include information about scams.

And I'll end with some external tools that our customers can use to help us fight scams. Dave mentioned Letters of Protest. So, if a customer has evidence that a specimen of use is fake, they can provide that evidence to us for consideration.

Petitions to the Director, which Dave also mentioned, can be filed to alert the USPTO to unauthorized submissions. And, finally, customers can email us at tmscams@uspto.gov to report them to us. Those emails are reviewed by our Anti-Scam Unit, and they consider action appropriate for the information that's provided in the email.

So, with that, I think that's it for me. I know I covered a lot. I promised I would only take 15 minutes, so I moved fast.
COMMISSIONER GOODER: Well done. Any questions for Montia?

CHAIRMAN CHO: Yes, first, a very affirming comment, thank you for talking about the formulation of the new office. Congratulations, again --

MS. PESSEY: Thank you.

CHAIRMAN CHO: -- for the new position there. I know we had seen these numbers before. I don't think the question was raised, but I did see it on another slide. There are two slides you have brought up numbers and I was wondering, are you all going to track it year-by-year, or I'm assuming you are tracking it year-by-year?

MS. PESSEY: Yes, yeah, we are. We're doing it, a lot of it's manual, unfortunately.

CHAIRMAN CHO: Okay.

MS. PESSEY: We do have a great team that was trying to help us to build reports to come up regularly. But, yes, we are definitely tracking. It's just, you know, folks are working on them, you know, day-to-day and so they. You
now, we're getting some great work performing,
and so they always kind of are stale, you know,
sort of like the next days because we have new
folks that are doing the cases.

CHAIRMAN CHO: Yeah, that makes sense.

I mean it's small enough now, the manual -- while
it's still manual, it's not too cumbersome but
it's good for that point.

MS. PRESSEY: Yeah, definitely. We're
definitely tracking the dates and that the
webpages, also that tool that I mentioned that's
another way, you know, we use that to help us to
track like the number of Notices of Institution,
the number of terminations. That's actually our
way of updating and refreshing our own data when
we need to present in meetings. Did someone else
have?

COMMISSIONER GOODER: Any other
questions?

SPEAKER: No, sir.

COMMISSIONER GOODER: All right. I
think we're good. At this point, I want to turn
the program over the Chief Judge Rogers to update us about Trademark Trial and Appeal Board.

JUDGE ROGERS: Thank you, Commissioner Gooder. I will start by running through a few slides that deal with pendency measures and inventory. So, something you have heard about already from Dan, in regard to trademarks. You'll hear a similar story, in some respects, at TTAB.

There will be some slides that will show the relationship between a pendency and inventory. But the inventory that we're talking about it relates to the number of cases that end up with contested motions that attorneys have to decide or cases that have gone through the complete process and need to be decided by a panel of judges.

(Slide) This first slide shows you the total pending inventory. So, these are the total number of cases pending at TTAB. But as any litigator will tell you, there are a whole lot of cases that get commenced that never require a
disposition on the merits.

And since our pendency measures focus on things that are within our control, meaning that from the time contested motions are ready for decision on the merits, or from the time appeals and trial cases are ready for decision on the merits. The inventory of cases that never require those kinds of actions never really affect us, but I do think it's important to note the trend.

(Slide) And so, this slide shows that generally the top line oppositions over the last two years have been trending down some. For a long time, we almost always had more than over 5,000 oppositions pending, 5500, or so. But we're just now getting below 5,000. Nothing particularly significant and it could easily trend back up, at some point=, depending on how many of the trademark surge applications get published for
opposition and potentially opposed. The bottom line on this slide is just at the end there showing a recent trend up, and that's for ex parte appeals from examiner refusals and that I'm kind of assuming is going to continue to go up because just with the sheer number of applications that are being review by examining operation. We're going to get more appeals, I believe, in the months and years to come, but we will see. (Slide) The next slide just shows kind of the Filings by Quarter that have been coming in, and it kind of reinforces a little bit of what was going on on the previous slide. So, there's ups and downs on the top line, which is quarterly receipts of new oppositions but there is generally more down in that up and down line than there is up. So that's why the overall trend is down for a total number of opportunities pending at any one point and time.

And you can see cancellations and appeals are both trending up, and those are the kinds of things that often come along with the
issuance of more final refusals because maybe Applicants will petition to cancel cited registrations, maybe Applicants will take an appeal. So that's why those two lines often kind of move in tandem.

So, this is just another way of kind of looking at and recognizing the volatility and some of the trends at TTAB and how hard it is to kind of predict our workloads from '16 to '19 and into the beginning of the pandemic in 2020, things were generally trending up, all kinds of cases that were coming in the front door were increasing.

And we had a significant increase in trial cases over that four-year period from '16, Fiscal '16 to Fiscal '19. But you can see it's been a little bit of a roller coaster ride since the pandemic hit with some things going down, and some things going up.

And the two blue lines near the end of this slide show that last year, we had almost a 10 percent decrease in the number of new appeals coming in, which was really quite surprising and
we're not quite sure why it happened but -- and I have talked with Dan about a number of reasons why it might have happened last year because I was wondering whether it was going to continue this year. But clearly, it has not continued this year and because now we're trending at a 10 percent increase this year in appeals.

So that's a big swing for us and it may be a sign that the trademark filing surge is, at this point, resulting in more appeals, and potentially more cancellations to come. So, our goals for processing the three types of work that I mentioned earlier that we do track -- and we also track end-to-end pendency, just like trademarks tracks disposal pendency excludes cases that are involved in TTAB proceedings.

So, they're really just measuring filing of the applications to either abandonment or, you know, publication, if I have that measure right in trademarks, the disposal measure, and they exclude cases that could be involved in appeals or trials at the Board because they could be -- those
applications could be pending much longer.

But our goals are the things that we have more control over, apart from end-to-end pendency, which is something we measure but we don't have control over. So, we measure it and it's reported on our website if you are ever interested in looking at those average figures.

But we like to get contested motions that arise in trial cases decided in 12 weeks or less; we like to get appeal decisions out in 12 weeks or less from the time they become ready for decision on the merits; and we like to get trial cases out in 15 weeks or less, decisions in trial cases from the time they're ready for decision.

So, how are we doing on these goals? Well, motion practice is going very well like, Webster, our managing attorney and his staff, are pushing down the pendency on contested motions, which is good for those of you involved in trial cases at the Board. Hopefully, we'll get the motions decided quickly and keep the cases moving.

As Dan said with his statistics earlier,
these are average figures. So, obviously, some
motions are going to take less time, and some are
going to take more time, a very large record
summary judgement motions are going to take more
time than a very short Motion to Suspend a case
because of the pendency of a civil action, or
something like that.

(Slide) But we're pleased that the
motion process is going down
because we know how quickly things
can turn around and go up, as we
see on this slide. For the last
few years, we have been pushing
down appeal processing times and
the time it takes judges to get the
decisions out from the time the
appeals are ready for decision, but
it's quickly been going up.

And so, we're a few weeks over goal, at
this point and time. We'll see what it will be
like at the end of the year. It could come back
down if it's not given that it's going to continue
to go up, but we'll just have to kind of see. And I will get to takeaways slide in just a few slides and let you know what we're doing to try and stay on top of these things.

Trial processing has likewise, again, trial cases ready for decision on the merits, the timeline for processing those has gone up. But it's only slightly above goal, the blue line on this slide. And so, there is a very good chance we'll be able to get that back down by the end of the year.

But the pressure that suggests we might have a challenge in doing that and bringing it down is shown by this slide which covers the number of cases. The inventory that I mentioned earlier that impacts our pendency numbers that we just ran through.

And so, the top line here shows a slight trend upwards in total cases, appeals and trials combined ready for decision on the merits, but the appeals have gone down.

Earlier we were talking about appeals
coming in the front door going up, but for those
already in the pipeline the number of appeals
maturing to ready for decision on the merits is
actually trending down a little bit. And the
bottom line shows that the trials are trending up.
And that's going to put a little pressure on us
because whenever we have years where we have a
significant increase in the number of trial cases
maturing to ready for decision on the merits, they
take more time to decide often than the appeals
do.

So that's where we stand with the
inventory. And what we're doing to -- in
recognition of these trends is we're doing our
best to increase the number of judges. Our
budgets for the last few years, and for the coming
fiscal year provide that we can hire judges. We
had two retirements in '22, that we did not --
excuse me -- fill those positions because you
could see on the earlier slides that our numbers
were good, so we didn't need to fill them right
away, but we are in the process of hiring judges.
It's a long process that involves internal work here at the PTO, an eventual appointment by the Secretary of Commerce. We're hoping that we will be through the end of that process in the near future and have some judges onboard to help work on those appeals and trial cases that have become ready for a decision.

And we are going to be also focusing on more efficient approaches to decision-writing and to case management. We have already had one meeting where we discussed the subject at length with our attorneys and our judges, and we have recently started the final pre-trial conference pilot.

No case has yet been brought into that pilot but we are beginning to consider candidates for that pilot, so that's kind of a wait and see. But if you go to our website and you go to the pilot page that includes information on the pilot and how it works information has recently been updated since we have officially started the pilot, which doesn't mean anything other than,
okay, something might happen in the near future, but hold on, not yet.

Any questions about the pendency, the numbers, any of that, before I go on to a couple of other subjects? (No response) Okay. I just wanted to briefly touch on the fact that oral arguments are now back on. Since August of last year, we have been hearing cases again in-person here on campus when parties agree that they would like to be here on campus and argue before a panel of judges in person.

But just like they could pre-pandemic parties can still choose a virtual option. We were doing that a lot prior to the pandemic anyway, and there's always the possibility that one of our judges, who might be working from a home office, in another part of the country, is going to appear virtually.

So, they're kind of hybrids and on an average month we're getting eight, nine, ten requests for hearings. We're having eight, nine, ten hearings a month, and most of them are still
virtual. But we're probably having three, four a month that are in-person. And what we're also doing is having -- and we've done this for a long time, but we're kind of resuming more of the in-person outside, outreach hearings you might refer to them as, and these are hearings that are parts of conferences, and CLE programs, and things like that.

We had one in New Mexico, at a program that was run by the New Mexico State Bar, and our Texas regional office, that was in September. We continue to have hearings here on campus that are involved in law school clinic programs or other conferences. We have hearings that are usually featured or often featured as parts of GIPA programs at OPIA runs. And so, we're going to continue to work on outreach events like this and provide opportunities for people to see how hearings run.

(Slide) So, we've got just a couple of slides on the pilot, and which I mentioned earlier. We issued the
announcement that the pilot would start April, no joke there. It really is the start date. The pilot planning team has provided instruction to all of our attorneys and judges about the process and the procedure and what we are hoping to accomplish through the pilot and our attorneys and judges or even a panel of judges working with an attorney on a potentially dispositive contested motion can recommend to the pilot team that a particular case be considered for inclusion in the pilot.

So, the goals are the same as we have been talking about for a number of meetings in terms of what we hope to accomplish. And we hope that we will have better trial case records in cases that go through the pilot.

Because we will have worked with the parties to ensure that they put their best foot
forward and they do, and the attorneys representing those parties, if they're represented are going to do the best job they can for their clients and give us an appropriately sized record appropriately tailored to the claims and defenses that are most significant in the case and which will allow us to get the case decided as quickly as possible and make sure that we're looking at the best possible evidence for both sides.

The steps will be that the pilot planning team receives a recommendation that a case be included in the pilot and the pilot planning team will assess the bases for the recommendation and the likelihood that inclusion would be successful. That's another key factor we want to make sure that we kind of pick cases for the pilot that we think there is a good chance the pilot will help, and it's going to work, and the parties are going to work with us to make it work well.

Once we pull a case into the pilot, we'll issue an Assignment Order after the close of
discovery, but before trial starts, and before any
pre-trial disclosures would have been due. And
we'll have an orientation conference. The
Assignment Order will direct the parties to
specify some dates and an attorney, and a judge
will have an Orientation Conference with the
parties to discuss what they need to do in
preparation for the final Pre-Trial Conference and
their participation in it.

Then the parties will exchange the list
of witnesses. Copies of anticipated trial
exhibits and discuss their trial plan. They will
file a Point Proposed Final Pre-Trial Conference
Order based on reviews. The Board would review
and schedule the final Pre-Trial Conference after
review of those submissions.

ATJ will lead the discussion of possible
edits and amendments to what would be the Trial
Order for the case, and then once the conference
is over, the Order would be finalized and issues
and that would send -- set the schedule and the
course for the case going into trial.
Input is needed. We took a lot of input on this to develop the contours of the pilot. This is what you see on our homepage and I have highlighted in the middle the link to the pilot information. And if you go to -- that link will take you this page, and then that link will take you to the input, the information about the pilot. And we are going to be taking input throughout the conduct of the pilot, which we expect will go on for quite some time because we'll need to get a number of cases into and through the pilot to make sure we can adequately assess how well it's working.

So, that's it for TTAB -- if there are any questions?

COMMISSIONER GOODER: Thanks, Judge Rogers. Any questions? (No response) No? Okay, thank you much. All right. So, we're going to turn now to the Office of Policy and International Affairs, and Mary Critharis is here and some of her crew, Nancy and Branden. But I think -- I'm not sure which one of you is going first but take
it away.

MS. CRITHARIS: Thanks, Dave. It's a pleasure to be here. It's my first in-person TPAC meeting. So, I'm also joined by Nancy Omelko and Branden Ritchie, who I believe you know they are the Senior Trademark Counsel for Office of Policy International Affairs.

So, I am going to give an overview today of some developments at WIPO, as well as, TM5, some trademark training that we have conducted, our NFT study, our newly announced Trademarks for Humanity Program, as well as some developments on the (inaudible) of the APEC meeting.

So, turning to the first update, on the SCT, which is Standing Committee of Trademarks, I wanted to highlight the two key topics, trademarks and geographical indications, are always front and center at these international discussions.

The first topic of importance is country names and geographical names of national significance and nation brands. There are several proposals on those particular issues related to
developing an examination guideline, as well as,
discussing further ways to, you know, review these
kinds of applications.

There is also some information sessions
on country names and brand names, and also there
is a questionnaire that we were participating in
on nation brands. We are also looking at the
issue of geographical indications and there is an
information session with respect to refusals based
on prior rights, something we're participating in.

And the other development, and WIPO
really relates to industrial designs, for those of
you that follow some of those issues as well, 2024
Schedule for Diplomatic Conference on the Design
Law Treaty. It's similar to the TLT. It's
designed to reduce formalities with respect to
filing design applications throughout the world.

The treaty, unfortunately, is being held
up from some -- by some other politically related
issues, a lot of demands want to insert a
Disclosure of Origin requirement with respect to
genetic resources in a particular region, those
are required to be disclosed in order to get protection in a particular region, not something that the U.S. is supporting at this time. It's unfortunate that those issues are bleeding into the DLT. And then we're also focusing on a proposal, a joint recommendation concerning industrial design protection for graphical user interfaces.

Another development WIPO relates to our ongoing work in the Madrid Working Group, and one of the two key topics that are being discussed in the Madrid Working Group, one is a proposal to add new languages, in particular, Arabic, Chinese, and Russian. We are working with the State Department to kind of evaluate whether we can support the addition of these additional languages, and then the other issue is the pendency.

As many of you know, to file a Madrid application on other countries it's usually based off of basic application, so if you file your basic application in the United States, you're required to have very specific requirements, a
very narrow set of requirements with respect to
the goods and services.

Unfortunately, that disadvantages U.S.
Applicants when they're using the Madrid system
because they -- when they're basing their other
applications that they designate as part of
Madrid, they have to make sure that their -- those
limitations are also included. So, we're trying
to come up with a new way to enhance user of the
Madrid system to, again, better benefit U.S.
Applicants.

MS. FREDERICKS: Excuse me, Mary.
MS. CRITHARIS: Hi.
MS. FREDERICKS: This is Jomarie
Fredericks. Before you go on, are you able to
talk yet about anything to do with the
establishment or setting of criteria for how new
languages may be considered now, and in the
future, to be added or taken away?
MS. CRITHARIS: Sure.
MS. FREDERICKS: Or is that just too
premature?
MS. CRITHARIS: I can give a few things.

I don't know if you guys have anything. So, you know, the issue of new languages is something that, like I said, we work very closely with the State Department because we're trying to do a cost benefit analysis. This is more of an UN issue. We have got this issue not just in the Madrid Working Group, but also in the Hague Working Group, as well, so trying to have more consistency of position.

So, what we look to is, you know, the usage, how many applications are being filed in these different languages. Add also, what is the cost of translation and all of those related fees? So, those are taken into account, so that's when we're talking about having these technical discussions. Those are the kind of considerations that the U.S. is asking to ensure whether we want to support going forward with, including these new languages. I don't know, Nancy, if you wanted to add something.

MS. OMELKO: That's good, thank you.
MS. FREDERICKS: Thank you.

MS. CRITHARIS: Yeah, no problem. So, now I'm going to turn to some developments at TM5. So, the TM5, Annual Mid-term Meeting will happen in May 17th, at the User Session, May 17th, at the Annual Meeting. Typically, the mid-term meeting is on the margins of the intermeeting, and the TM5 panel on proving use will be held on May 18th, at the Annual INTA meeting, and our Annual TM5 meeting will be held in September. This year is Korea's turn to host the TM5.

I just wanted to highlight one of the big accomplishments of the TM5 is that there is over 22,750 entries in the ID list, which we led these particular projects, and this accepted in 45 different countries. So, when you file your applications you can rely on this basic, you know, ID entry list making it easier for you to find these other jurisdictions.

So, again, that's the progress on TM5. And also, just to highlight some of our training. As you know, we do a lot of training across the
globe with respect to a trademark education,
examination policies, and practices, and
awareness. We held a GIPA program with 35
Government officials from 24 countries at the
USPTO headquarters.

We also, as Jerry mentioned, this was
one of the programs that his office participated
in. We gave the participants an opportunity to
understand how we handle our administrative
trademark appeal system.

We also had an Andean Community Court of
Justice program, Mexican Industrial Property
workshop, and an Algerian National Institute of
Industrial Property with Ministry of Industry
there on trademark opposition. So, these are just
the highlight of some of the training programs
that we have had, and we continue to do these
programs throughout the year.

MS. NORTHcott: Go ahead, Jomarie. Do
you want to go first?

MS. FREDERICKS: No, you can go first.

(Laughter)
MS. NORTHCOTT: Dana Brown Northcott
here. Can you tell us a little bit more about
what you covered specifically in the Trademark
Office Administration Workshop?

MS. CRITHARIS: Sure. So, we had a
whole different set of issues that were covered.
We included everything from strategic planning,
budget, and staffing, as well as different
electronic tools that we use. We wanted to give
them kind of a, you know, hands-on experience and
with the tools that we're using, the different
manuals and foreign paragraphs, how we do the
examination process.

We talked a lot about our telework.

That's a very common theme that we get a lot of
questions on from our foreign colleagues. We have
a little bit ahead of the curve, which was nice,
so we can really share our experiences, a lot of
them were forced to kind of telework in response
to the pandemic.

We also talked about quality review and
how we trained our examiners, our trademark
attorneys, education outreach, as well as, as
mentioned, they got a little bit oversight,
overview of our Trademark Trial and Appeal Board.

MS. FREDERICKS: Just briefly, how do
you decide where to conduct the trainings, which
countries to go to? Is it just who makes the
request, or are there other considerations? Are
they able to make the request over and over again?
Do you spread them out? I just wonder how it
works.

MS. CRITHARIS: Sure, that's a great
question. It's a very complicated process, so
it's a very dynamic process. Every year we review
what we think we should -- we have a budget, so we
review all of the training programs and all of the
different regional teams.

We have regional teams that cover the
different areas, and we get together and decide,
you know, which particular problems are in a
particular region. I don't know if you follow,
but the Special 301 Report was released earlier
this week that identified some of our trading
partners, some of the challenges with respect to
our trademark partners, with respect to
intellectual property protection and enforcement.

So, we're guided by some of the problems
that we see in the region. We're also guided by
certain requests that are being made. Other
offices are very interested in our electronic
systems, telework, how we do quality, how we
manage our trial of an appeal processes, so that
also gets folded into the equation.

Sometimes, when we have free trade
agreements, there is a lot of training that goes
into implementing those agreements. So, when
we're working with, like, USMCA, for example, we
do a training with Mexico. That's why you saw
Mexico, a workshop there, because we want to make
sure they implement their obligations.

But then, we also take into account that
we want to do a lot of training in developing
countries because we want to make sure that they
get their practices up to speed, as respect to,
you know, examination and having gold standard.
Obviously, Nancy and Brandon, please feel free to add and chime in.

MS. OMELKO: Thanks, Mary. I would just add that we have the IP Attachés out in the world and they do various training in their regions. But, yeah, we go all around and it's through a workplan pretty much that we set up in each region to determine what we're going to be doing out there. And it's oftentimes requested through the Attachés office, or directly from country.

MS. HSIAO: Do you also offer training for, like, some of the hot topics, like, AI, or metaverse, that kind of stuff; and also, of course, new decisions, the Perkins Bag, that kind of stuff?

MS. CRITHARIS: Yeah, absolutely, we do a lot of training on AI and emerging technologies. Sometimes the training that we do is not just trademark-specific, in conjunction with our patent group as well, because it's handling different aspects of AI. So, we do a lot of training in that area.
And I just wanted to add, so I'm glad you asked that question, that if there is something that you think a particular problem, in a particular region, or area, you'd like to see training on, please don't hesitate to reach out to either one of us.

We're, you know, very receptive to making sure that we are remaining on the cutting edge of, you know, new and emerging technologies and new issues facing the trademark system, but also if there are certain challenges in particular parts of the world.

You know, obviously, we want to hear about that and happy to take that information into account where we're devising our training programs.

MS. HSIAO: Good to know, thank you so much. We'll kind of brainstorm about that, maybe talk some more at our next meeting. Thanks, fantastic.

CHAIRMAN CHO: One of their biggest programs that runs fairly regularly that y'all do
is with your China team, and it's really
well-attended by practitioners, and in-house
people. And I don't know how often you do that,
once or twice a year maybe?

MS. CRITHARIS: We have got really high
numbers of participation, especially, as Dave
mentioned, with respect to our China programs, but
we just had our China road show programs in-person
We just had one in Omaha, Nebraska, two weeks ago
So, these are continuing programs and we're going
to do more in-person ones.

Because while the virtual ones are good,
you know, the in-person ones are nice because then
do get connection and are able to ask questions a
little bit more informally. So, again, we're
hoping to do a little bit more of those programs,
but I know the China road shows have been a real
success.

Now turning to our NFT studies. So, we
are preparing a report jointly with the Copyright
Office, in response to a request by the Senate
Judiciary Committee on NFTs and the impact on IP
rights and policies.

So, we issued our Federal Register Notice in November, and we held three different roundtables, one with respect to trademarks, patents, and copyright. We had a whole host of participants.

We had over 90 participants. I believe about 34 of them were from -- represented trademark interests, all spanning from different creators, artists, innovators, brand owners, academics, small business, trade associations. So, why the variety of representation?

We are working on putting together our report. So, hopefully in the next -- I believe the report is due, Branden, in June?

MR. RITCHIE: Yes.

MS. CRITHARIS: So, hopefully, we will get the report finalized. The report will have a nice analysis of all of the different comments that we received; highlighting the definition of NFTs; is the law sufficient right now with respect to IP in enforcing and protecting NFTs; do people
envision are necessary to protect NFTs in the IP space. So, we're looking forward to that report. Branden and our copyright team at the PTO are leading that report.

And so, one other landmark program that I'm happy to announce that we just launched very recently is our Trademarks for Humanity Program. I don't know if any of you are familiar with our Patents for Humanity was launched about a decade ago, but we launched this program in April 11th of this year.

And so, the goal of the program is to recognize entrepreneurship and trademark owners use of their trademarks with respect to humanitarian impact. For this particular cycle in 2023, the eligibility requirements are limited to using trademarks in order to address environmental concerns, so very broadly, broadly worded.

And so, that's where we'll be accepting about two -- up to 200 applications. I think so far, we have four applications that were filed but we're really looking forward to this program. I
just want to also mention that, in addition to the Trademarks for Humanity program, this particular cycle being limited to environmental improvements, enhancements, we also have a Patents for Humanity program that is also limited to green energy technologies, so this particular cycle.

So, this is a year we're really focusing on addressing and mitigating a climate change.

And then, finally, just to share with you some of the developments on the margins of our work with the Asia Pacific Economic Forum, there is an IP Working Group there.

And the past, in February, USPTO led a program on creating a resilient and sustainable future for all, and we had IP experts from the APEC ecosystem gathered for this meeting to discuss issues of interest and exchange information.

The Trademark team organized a workshop on geographical indications and preservation of common names to highlight the importance of preserving common names when granting GI
protection, especially for small- and medium-sized enterprises.

To carry on that theme, there will be an APEC meeting. The U.S. is hosting the APEC meetings this year. So, in August, there is going to be another IPEG meeting in Seattle this time, and the Trademark team is going to highlight the importance of certification marks, especially with the related to green technologies.

So, you can see this common theme with from Trademarks to Humanities program, as well as work in APEC is going to focus, on, you know, developing an entrepreneurship with respect to green and clean technologies.

And I think we have for you today, but happy to take any questions.

COMMISSIONER GOODER: All right, sounds good. Thank you so much for coming. We appreciate it. And next on the agenda is the Office of Government Affairs, and Kim Alton, who is Deputy Director, I think is on the phone.

SPEAKER: She's on.
COMMISSIONER GOODER: She's on.

MS. ALTON: Yes, hi, good afternoon.
I'm here. Can you hear me okay?

COMMISSIONER GOODER: Yeah, pretty well, Kim, thanks.

MS. ALTON: Okay, wonderful. Good afternoon. I am Kim Alton. I'm filling in today for Ellen, representing the Office of Government Affairs. First, let me start by thanking members of TPAC who were able to join us on Wednesday, as we celebrated World IP Day on Capitol Hill.

It was a really nice event, a real homecoming for many of us, since we have not been able to celebrate World IP Day in person since 2019. So, we were so glad and pleased to have you all join us in this year's celebration. Just very quickly, Government Affairs, this week, we have been really busy. Yesterday, there was a hearing in the House Judiciary, the IP Subcommittee, that subcommittee is chaired by Darrell Issa from California, and Hank Johnson from Georgia.

And, just very quickly, I think the
questions that we got, we certainly expected. Many of those questions focused on Trademark Modernization Act and trademark fraud. We heard those questions come from Ranking Member Hank Johnson. He is the member who was a lead in developing the Trademark Modernization Act.

So, we sort of anticipated that he would have several questions about that legislation that that law has been implemented, any suggested tweaks. So, that is an issue that Director Vidal addressed, in terms of some of the work that we're doing and certainly happy to keep Mr. Johnson updated.

We have a good news story to tell in terms of the work that Commissioner Gooder and his team have done over the past couple of years to address the issue of clutter and trademark fraud.

The second trademark-related question that we got -- really it wasn't a question, more sort of a statement, was just from our Chairman, Mr. Issa, referencing a bill that he's introduced. It's entitled, "No Stolen Trademarks in America
"Act," and so that's a bill that he's been very interested in for the past couple of years. He referenced it, no real Q&A on that question.

We do expect now that the hearing has ended, the hearing record will remain open for about a week for members to submit questions for the record. So, these would be -- these include written questions that the members of Congress were not able to ask yesterday during the hearing.

So, we'll expect to get those written questions probably within the next two weeks, and then we will be preparing answers to submit back to the Committee to close out that hearing record.

Again, that's all that I have to share. We do expect -- we don't know when that we will have a similar hearing on the Senate side before the Senate Judiciary Committee, an oversight hearing for that body. We don't have a date, but we're certainly happy to keep you posted when we learn more.

That's all that I have, but I'm open to any questions.
COMMISSIONER GOODER: Great, thanks, Kim. Any questions:

CHAIRMAN CHO: Just an affirming remark that it was our pleasure to be there to support the USPTO. Many of us, who had never been there before, were quite impressed. So, we just want to commend you on making a special effort to allow us to get there. Thank you.

MS. ALTON: Oh, you're welcome. It was great to have you.

COMMISSIONER GOODER: Okay, thank you. Thank you, Kim. Next, I want to move to Harold Ross from NTEU 243.

MR. ROSS: Good afternoon, ladies and gentlemen. Thank you for allowing me to speak. First, my name is Harold Ross, President of NTEU 243. I represent 1300 members of support staff throughout Patents and Trademark Office, with about 3 or 400, specifically within trademarks.

For my employees, I'd like to give kudos to all of the support staff within trademarks. Those offices include the Examination Support
Our unit does have challenges. Some of those challenges include some of the processing times for a few of our business units. Most of our business units are hitting their numbers, but we do have a couple of business units who we are concerned about their processing times, and we want to work with the Agency to try to improve.

Those business units include the Examination Support Unit, who went from three days to processing to 15 days of processing from missing corrections. The Pre-examination Unit went from three days processing to 83 days processing. And, of course, you all know about the post-registration issues.

We have seen post-registration numbers increase almost 0 to 80 percent, as far as the processing times. So, we are looking forward to
working with the Agency to try to identify what those issues are, resolve those issues, and improve the processing times for not only the Agency and the public.

There are also other challenges that we are facing. Fifty percent of my workforce is eligible to retire within the next five years. That is a consideration that needs to be addressed and studied.

There are several system updates underway and we are looking forward to participating in those system updates and are hoping that the agency will include us moving forward to have us participate and include our input, and there is AI that is currently coming aboard here at PTO.

We are extremely concerned about AI. My employees will be impacted by AI, first and foremost, because they are the most vulnerable employees. But we do want to work with the Agency to try to prevent employees from being AI'd out of positions. And if AI is to come, we should be
trying to find things to do with those employees who AI is going to work out of a position. So, I do look forward to working with the Agency in those efforts.

We also have DEIA issues within our business units that we need to identify, inequities, non-inclusive, not including us in several aspects of work, and not giving us accessibility to certain areas. So, again, I do look forward to working with the Agency to fix one of Ms. Vidal's major aspects of work with just DEIA (phonetic), and I do want to thank Ms. Vidal for instituting the DEIA here at PTO.

Lastly, I want to remind the Agency of its commitment to PDI and collaboration. When PDI and collaboration is done correctly, it limits the impacts of negotiating and bargaining because the units are there from day one.

When you do not invite us to PDI, it will definitely lengthen bargaining and negotiations because you're asking us to catch up to what you have already done and that catching up
usually takes us quite a lot of time because we have to figure out what the Agency is doing. So, I just want to express the importance of PDI and the commitment from the Agency. I want to let the Agency know that we are truly committed to collaborative nature and we look forward to continuing working with you guys to fix the problems that I have identified. Thank you.

COMMISSIONER GOODER: Thanks, Harold.

Any questions for Harold?

MR. ENNS: Well, this is Rod. Harold, I just want to acknowledge --

COMMISSIONER GOODER: Rod, can you get closer to your mike?

MR. ENNS: Sorry.

COMMISSIONER GOODER: Thanks.

MR. ENNS: I keep leaning back after I turn the mike on. I just want to acknowledge the incredible value that your employees, the employees in your union provide. I mean this operation depends on so many different parts and
pieces. But the employees in your union are the backbone. They are the fundamental frontline that makes -- that everything kind of drives from.

And, certainly, from my point of view, as a TPAC member, I want you to know that we are committed to doing whatever we can to, you know, facilitate and we hear and appreciate your comments. Thank you, sir.

COMMISSIONER GOODER: Yeah, I second that. Thanks, Rod. Anybody else? (No response)

No, okay. And, last, but not least, I'll turn it over to Jay Besch from NTEU 245.

MR. BESCH: Thank you, Dave. It's always great to be the person between the end of the session, and everybody trying to catch their plane. But I do appreciate the opportunity to speak. First of all, I just want to recognize our examining attorneys and interlocutory attorneys in our bargaining unit. I represent over 800 employees in those positions. They all work extremely hard to help the Agency meet its goal and its mission.
They have and continue to be adaptive and diligent in a very dynamic time in trademark law, and changes in filing behaviors and practices, things that you heard from Montia, things that you have heard from Dan. I have been here at the Agency for 18 years, and I have not seen so much change over the past few years that I saw in my 12 years before that.

So, it is a very dynamic time and these employees that I represent have continued to do their jobs and do their jobs very well, as you can by the metrics in our quality. It's an incredible job that they do, and I'm very lucky to be able to represent those employees.

These employees have also had to adapt to a lot of changes in technology. Over the years, you have heard from Glen and Greg about the amount of changes that were going from an old system that we have been using for nearly two decades to these new systems which have a lot of promise but there is also a lot of change that goes on in those circumstances.
And it's a challenge for them to adopt and continue their pace, and they do that, for the most part, so far, and we hope that continues. You know, and these changes, as you heard from Glen, this is an iterative thing, so we're working with minimally viable products that we hope that our employees will continue to, you know, presented with new and better technologies that help them do their jobs more efficiently and with less errors and we can improve on the product that the, you know, external customers, the Applicants, and the public deserve and desire.

So, you know, and I think they're up to the challenge. I want to kind of turn to, you know, what Director Vidal said earlier today at the outset of the session, you know, about our involvement in our union's importance to the Agency and our union, as the representative of our unit, is vital to the Agency's mission.

We continue to work with the Office to collectively look at solutions to the challenges the Agency faces. Dan mentioned the pendency
initiative and the ideation -- I'm sorry -- not
the pendency initiative -- I'm sorry -- the
ideation, the pendency ideation that we're going
through, that is something that has been a very
collaborative effort.

We're working and looking at the
solutions that can really help our examining
attorneys efficiently examine, hopefully, address
pendency, and also improve their, you know, their
view of work. And I hope that we're able to start
delivering on some of those work products. I know
that we're very close and we hope to do that very
soon.

So, stay tuned, and I hope we have some
things for the examining attorneys who might be
listening right now, know that those things may be
coming soon. You know, and I think one of the
things that we're looking for -- and I know that
we've talked, and we've got some support from the
Agency on this and on improving our visibility and
integration into the decision-making processes
here at the Agency.
You know, we believe with Director Vidal's leadership, we will continue working towards a really, model labor situation here with us and the Office working together and getting the best results for both our employees and the mission of the Agency. So, with that being said, I'm done. Hopefully, you all can catch your plans, and I appreciate the time to talk. Thanks.

COMMISSIONER GOODER: Any questions for Jay? I know we have some TPAC members who are -- have to scoot to catch planes.

CHAIRMAN CHO: Thank you all. Just to affirm Jay and Harold, thank you very much for expressing the viewpoints. And, you know, as Rod said, here at TPAC, we're here to be a resource for the entire PTO. So, I just want to reaffirm that, so thank you.

COMMISSIONER GOODER: All right. We have one question that was sent into the box, and I'll turn it over to Dan. It's a question revolved around metrics for the Trademark Academy.
MR. VAVONESE: So, we look at the metrics and/or the success of the Academy at any of the training of our employees across the board. We look at it in terms of performance, you know, and so you can tell production and you can tell quality, but then you can also -- what's actually even more important is the employee experience. Are they getting a better experience out of being in the Academy at the beginning.

When it comes to production and quality, you know, we look at the productivity and we look at their performance in the quality area, both objectively and subjectively, and compare it to prior classes or prior examining attorneys in that first year who were not in the Academy, and we're seeing very similar numbers in those areas right now.

Where it's really going to make a difference is seeing a few years out, if it really makes a difference moving forward, and our first class graduated just six months ago. So, we need some time to gather more data on, you know, are
they getting up-to-speed, and are they more -- are
they moving more going forward in two, three, or
four years out in their overall performance.

But just as important is the consistency
of the training and are they coming out of the
Academy with the same mindset as to how they look
at examination. You know, we have heard issues in
recent years about consistency, so that is just as
important is looking at the consistency of how
they are looking. Generally, trademarks is a very
gray area of laws, we cannot be 100 percent, but
we're trying to stay within certain guardrails and
that's a major focus.

But on the employee experience side that
is we are virtually onboarding. Our employees,
for the most part, are remote, all over the
country. We have a few that are reporting into
the office.

So, in the midst of a new trademark
Academy, we are also following the pandemic still
onboarding employees remotely, so making sure that
the experience in that first year is such that the
employees are being brought into the environment, in the culture of trademarks.

And we have been conducting focus groups and surveys in connection with 245, as well as, you know, we do evaluate -- they do evaluations of the instructors within the Academy so we're getting this constant feedback, also about any changes or tweaks that we need to make to the Academy. And so, we're evaluating those right now and then we'll be just having further discussions about, you know, do we tweak, you know, a little bit, you know, on the lines within, you know, to improve, continue to improve the Academy. So that's generally how we're measuring the success right now.

COMMISSIONER GOODER: Thank you, Dan. That was last question, so back to you, David.

CHAIRMAN CHO: Thank you. I want to always remember, and I save the best for the last to send our gratitude and appreciation to the entire staff for making this possible, for allowing the public to get a glimpse of all the
wonderful work you are doing and are uplifting
certain items that we feel would be of interest,
and there are too many names, and I don't want to
mention names because I'll miss somebody, you
know, you always hear that.

But you know who you are, we're seeing
you right now. And I want to just give you, you
know, just a quick applause. (Applause) It
doesn't really capture what you do. This is
extra, extra, extra effort, and I just want you
personally to know it does not go unnoticed.

So, we thank you very much. Thank you
all for participating in our first public meeting
and we look forward to continuing our dialogue to
you in the future. This now concludes the
meeting.

(Whereupon, at 4:02 p.m., the
PROCEEDINGS were adjourned.)

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CERTIFICATE OF NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA

I, Mark Mahoney, notary public in and for the Commonwealth of Virginia, do hereby certify that the forgoing PROCEEDING was duly recorded and thereafter reduced to print under my direction; that the witnesses were sworn to tell the truth under penalty of perjury; that said transcript is a true record of the testimony given by witnesses; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this proceeding was called; and, furthermore, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

(Signature and Seal on File)

Notary Public, in and for the Commonwealth of Virginia

My Commission Expires: August 31, 2025

Notary Public Number 122985