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GREG DODSON

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MR. CHO: Good morning. Welcome everyone, to the second public meeting of 2023 of the USPTO Trademark Public Advisory Committee, also known as TPAC. My name is David Cho. I am the Chair, and in my other job, an Assistant Vice President and Senior Legal Counsel for AT&T. I'd like to take this moment to introduce my esteemed colleagues of TPAC, beginning with my exceptional Vice Chair, Andrea Brown. She is the Assistant General Counsel at Harley Davidson Motor Company. Following her in order of seniority on TPAC are Tracy Deutmeyer, shareholder of Fredrikson & Byron. Next is Jomarie Fredericks, Deputy General Counsel, Chief Intellectual Property Brand Counsel at Rotary International and the Rotary Foundation. Next class of three is Rodrick Enns, a partner at Enns & Archer. Dana Brown Northcott, Vice President and Associate General Counsel of IP at Amazon.com. And then our first term class Deborah Gerhardt, Reef C. Ivey II Excellence Fund
Term Professor of Law at the University of North Carolina School of Law. Donna Griffiths, IP specialist at Cytiva Technologies and virtually Amy Hsiao, a partner at the Eligon IP firm. I also want to welcome our union reps, Harold Ross, President of NTEU Chapter 243 virtually, and virtually Cathy Faint, Vice President of NTEU Chapter 245.

Finally, I'm very thankful, as always, to Commissioner David Gooder, USPTO leadership, and personnel for their incredible support. I'm very fortunate and extremely honored to work with such esteemed colleagues as well as my TPAC comrades. We are, you know, going through uncertain economic times, but despite that, we are still shaping and protecting intellectual property rights in the U.S.

Let me take this moment to remind you to submit questions during our meeting today by email to TPAC at TPAC@USPTO.gov. Again, it's TPAC@USPTO.gov. Now, it's my honor and privilege to welcome Kathi Vidal, the Undersecretary of
Commerce for Intellectual Property and Director of the USPTO, who will provide opening remarks.

MS. VIDAL: Thank you, David. Really appreciate the introduction. And thank you to all the members at TPAC. I want to thank you for your time, for your engagement, for your great ideas. It really is a true collaboration that we have, and I'm grateful for it as I know my colleagues are as well. I also wanted to extend a big thanks to the entire Trademark office and the TTAB staff for your hard work and smart work over the past year.

Our team has been busy making the transition, as you all know, to the new Trademark examination system, TM Exam (phonetic). It combines several aging legacy systems into one cloud-based solution. And as we meet regularly and talk about the importance of moving off of legacy systems, it is so critical to all the great innovations we'd like to deliver in the future. The team has also successfully introduced the new pre-registration response periods under the TMA,
and they continue to explore with the unions how to reduce the unprecedented inventory of trademark applications that surged during the pandemic.

Thank you also to our unions and their representatives who are here today. Jay Besch of 245, Harold Ross of 243, and Pedro Fernandez of POPA. Really appreciate the great work that we've done recently to rethink the relationship between the Trademarks office and the unions. We know that you want to support the employees within our organization, as do we. It's critically important to us that we do that while ensuring that we're continuing to advance our mission and vision. So thank you for the deeper collaborations. I know you've spent a lot of time recently on this, and I look forward to meeting with you next week to continue our dialogues.

I just want to talk about, a little bit about the role of the TPAC because I feel like the importance of the TPAC is more critical now more than ever. So, so excited that we've got so many incredible people on it. You are providing
essential guidance as we continue to adopt fundamental changes to trademark law. Your suggestions are crucial as we improve our operations and broaden our engagement with new and aspiring entrepreneurs, as we deal with the metaverse, as we combat scams and counterfeiting both in the U.S. and across the globe. There's so much attention to growing new businesses, and we need to adapt to that. We need to adapt to new technologies. We need to think about new ways of working to ensure we better serve our stakeholders, whether it be large companies that are extremely successful in our country as well as all the emerging ones. So thank you for all the great work that you do.

In terms of innovation in America, it's something that is growing now more than ever. I just want to put what the trademark community is doing into the larger context. So the U.S Government has made one of the largest increases in federal spending on innovation on entrepreneurship in our entire nation's history.
This is due to the passage of the Chips for America Act, the Chips and Science Act, the Inflation Reduction Act and the Infrastructure Bill.

I'm a member, as I believe most of you know, of the National Advisory Council on Innovation and Entrepreneurship. That has taken on new meaning. That group is now working on a national entrepreneurship strategy, and we are doing that at speed and scale and working with the Secretary of Commerce, Gina Raimondo on that. We need IP protection to play an important role in everything we're doing with that strategy. So look forward to engaging with you on that and making sure that IP continues to be a key driver of entrepreneurship in our great nation.

The council also discussed the $500 million that will be invested this year alone in new regional innovation hubs that will be located throughout the country. This commitment and new innovation hubs will grow to 10 billion by 2025. The USPTO is involved in working with EDA to set
up and select those hubs. In addition to the hubs, new Manufacturing USA institutes will be established in critical technologies, especially semiconductors. And the National Science Foundation has created a major new division aimed at commercializing research. The Technology, Innovations, and Partnerships Directorate or TIP. Its goal is to ensure that U.S. Investments in R&D are developed into new products and services that are produced in the United States. I just wanted to let you know that even though a lot of that money has not yet been spent, what we see over time is that when the government invests, private industry follows. And we're seeing that right now. The investment U.S. Government is making is leading to a resurgence in private sector investment in research and development and new high technology manufacturing capacity in almost every state in our country. The White House has chronicled $503 billion in private sector investments in new domestic production facilities, including 231
billion for semiconductors and electronics, 133
billion for EVs and batteries, 103 billion for
clean energy, 19 billion in biomanufacturing, and
14 billion in heavy industry. The Reshoring
Initiative reported that Reshoring and new foreign
direct investments in new plant and equipment in
the United States increased by 53 percent last
year alone. This is a record level. 364,000 IP
intensive industrial jobs were brought back into
the United States. The Reshoring Initiative
projects another 400,000 new jobs will be brought
back in 2023.

So I just wanted to share some of that
because often I know we're dealing with the IP
ecosystem itself and how to make sure we're doing
everything that we can to serve our stakeholders.
But just wanted to emphasize the importance of our
work even beyond what we're doing in the IP
community. The importance of having a strong IP
ecosystem that can really support all of these
initiatives, to make sure that when we're out
there granting money, when private industry
invests, that we're protecting all of that with IP, and especially, and importantly, trademarks. It means there's a lot more businesses that are going to be out there for all of us to serve. So it's an exciting time. It means we need to do more to get out there and reach those businesses so that they understand the importance of IP and what a trademark can do for their businesses. I will say, and I apologize if you hear my dog bark, I just got a new -- I adopted another dog. So if you hear him barking, it's because he's very new to the family. So I just want to say I had a meeting recently in Florida, and I met with a woman who had started a tutoring business, and she was telling this great story about how she started it locally in Florida, but she didn't think to get a trademark. She didn't think to get a U.S. national trademark. So she was only protecting her brand locally. And what happened was she was part of a military installation and she moved, and she wanted to take her brand globally and nationally.
And she realized as part of that she had to change her name. So it just is one of the many stories I hear about how people are realizing every day the importance of trademark protection and the importance of all the great work that you do. I do want to also mention USPTO's Council for Inclusive Innovation, appreciate the collaborations we have with TPAC on that as well. Our goal is to expand involvement in the innovation economy and bring more innovation to impact. And when we talk about innovation, it is always about entrepreneurship, which trademarks are critical to. It's about creativity that copyrights are critical to, as well as technological innovation and design innovation that you need design patents for. So it's all of it that we're working on. There's tremendous enthusiasm for the work that we're doing and the programs we're rolling out. Most recently, we announced the IP Ambassadors Program here at the USPTO where we can work across the country with our workforce to make sure that we're getting to
everyone with education on IP, education on
trademarks.

I also want to let you know that we've
recently expanded our PTRCs. So these are our
Patent and Trademark Resource Centers that are in
libraries across the entire country. We now have
a campaign where I am sending letters to libraries
around the country that do not yet have PTRCs.
And as part of that, we're trying to get training
everywhere, especially in areas of the country
that we're not right now serving, so we can offer
those services through those libraries.

I was just last week, actually two days
ago at the Hagley Museum in Delaware, and I showed
up at the wrong entrance due to some issues with
traffic. The Uber dropped me off at the wrong
entrance, and as a result, I had the opportunity
to take a golf cart ride with the head of the
Hagley. And by the end of the golf cart ride,
when I finally got to the place that I was
speaking on our women's entrepreneurship
initiative, I had talked to him about the
importance of ensuring that when he's doing his programming, that he's doing with Harvard University to educate entrepreneurs and businesses in Delaware, that we make sure that IP training is there. And he agreed, and he was already doing a lot of IP training. By the end of the session, he was committed to setting up a PTRC at Hagley. So there's just so much excitement. We're all aligned right now to make sure that IP is playing the important role that it plays in our country and our economy.

In addition to that, I just want to touch on a couple other things. One, our women's entrepreneurship initiative. I look forward to working with TPAC and everybody here who's attending on ways we can scale that work so that we can get out there in more communities and make sure that people have the support they need when it comes to identifying their IP, either through our IP identifier tool or otherwise, and ensuring that they have the tools and resources to use IP to support their businesses and to support growth.
Same thing with education. We're working on K through 12 education throughout the entire country.

So far in 2023, 340,000 students have enrolled in programs like Camp Invention. The work that they're doing there is phenomenal. I've had the opportunity when I'm out in communities to meet with these kids who are seven, eight, nine years old and hear about what they're doing. I know I've shared the story about the question I got from the nine-year-old about how we can protect his merch on the Internet. I have a new story. I was in Boston recently, and I love what they were doing, which was not only were they teaching the kids about IP and trademarks and the importance of brands, they were having them set up stores and work on branding with their storefronts.

In addition to that, they were working on anti-counterfeiting. So they first had to design a copycat that was going to steal their idea, and then they had to design an invention to
catch the copycat. So it was just so interesting
to see these kids internalize what it means to own
IP, what IP can do for you, and then the
importance of making sure that we respect IP and
that we crack down on any of the copycats. Very
exciting. As you know, we have a big focus when
it comes to anti-counterfeiting efforts.

Again, working with the PPAC on that or
the TPAC on that. Really been engaged with U.S.
Stakeholders. We have our Go For Real campaign,
which has been phenomenal. We introduced for the
first time ever a request for comments so that we
can hear from stakeholders on what more we can do
to combat counterfeiting and piracy. So really
looking forward to reading through those comments,
having discussions with the TPAC on that and
figuring out a path forward. And then of course,
we have the Trademarks for Humanity, which was an
idea that came from the TPAC on what more can we
do to incentivize people to build brands, to start
companies, to solve world problems.

And so, that was a definite
collaboration between Trademarks and the TPAC and just really appreciate the focus on that. This year we're focused on green technology. So looking forward to reviewing the submissions and celebrating those who are using brands to advance innovation in key areas that we need. You need to look no further than what we experienced recently in D.C. with a tornado watch that we had to send everyone home to what's going on in Maui right now with the fires. Every day we see the impact of the climate. So it's just incumbent upon us that we work even harder to make sure that we are utilizing IP to the extent possible to solve for these crises.

I know you're going to hear a lot from Dave Gooder and Amy Cotton and others on all the great work we're doing within the Trademarks Department. What we're doing to reduce pendency and inventory, that is a true collaboration with the unions. There are a lot of great ideas we have. We want to make sure we implement them in the right way. We've done a lot of hiring, we're
revamping our training, and that's been extremely effective and impactful, but there's a lot more we can do. We see a lot more opportunities, and we're working really hard with the unions to come up with solutions so that we can do more with resources, with creativity when it comes to resources, with creativity when it comes to the job of our trademark examining attorneys. So really looking forward to all of that.

You'll also hear about us intensifying our IT modernization. That's, again, extremely important. We continue to phase out TRAM. We are 84 percent of the way there. We have a new search tool for examiners that replaces XSearch, that's been developed. We look forward to that. We have new ideas on how trademark examining attorneys can search more effectively, different algorithms they can use. And we're always thinking about ways we can improve the great work that we're doing.

And obviously, we also want to boost the trademark register protection. And I know we're working really hard on that. I know Amy's leaning
in on that. With sanctions programs, we're thinking creatively about what more can we do within our authority and we welcome any feedback from the TPAC and from anyone, quite frankly, on all of that. I will remind folks that I have an open line of communication. If you have ideas, please send them my way. I'm not going to solve for anything by myself. I'm going to work with all these amazing people that you see in the room here today to vet those ideas, to think about how we can do better. There's an Engage with the Director web page, or you can just email me directly at Director at @USPTO.gov.

And then lastly, Fee Setting Authority. Thank you to the members of TPAC. I know that when we go through Fee Setting Authority, which we must do to stay up with all the technologies we need to adopt, with everything that we need to do. I know it takes a toll on the TPAC. It's a lot of work. It's a lot of work for Trademarks, it's a lot of work for the TTAB and a lot of work for TPAC. So thank you for all your great work and
input on that. A big thank you to all of you.

I'm so glad that Derek can be in the room with you today representing the front office. I'm on travel. I'm going to Ohio to our National Inventors Hall of Fame. Soon we've got a couple days of programming to see what more we can do to collaborate with them. Then I'm off to Southern California to World of Barbie to do an INTA event on the importance of IP. And then I go to Brazil and Chile to work on infrastructure and IT, IP systems around the world, which is critically important to everything we're doing.

So I appreciate being able to tune in here remotely and wish you a successful day. Thank you again for all you do. MR. CHO: Thank you, Kathi. Sorry about that. Dave, please take it away.

MR. GOODER: Okay. Thanks, David.

Thanks, Kathi.

: Hi, everyone. Greetings. I'm David Gooder. I'm the Commissioner for Trademarks here at the USPTO. I'm glad you all could join us in
the room and virtually. So today, as we've done
in the past, we're going to cover a number of
things and -- does work, yay. In our trademarks
management report and the broad areas of which are
we're going to look a little bit at how things are
going for this fiscal year, which we are just
entering the third. Actually, we're not just
entering, we're a month into the last calendar
quarter of the fiscal year. So we'll look at how
our business operations are doing to date this
year. Then that has a lot to do with filing, new
filings, et cetera, and our staffing.

Then we're joined by Sean Mildrew, our
Deputy Chief Financial Officer, who's going to
talk a bit about how we're doing financially,
including some conversation about the progress of
the fee setting process itself, and a bit about
how Trademarks finance or the PTO's finance works
relative to all that. And then finally, we'll
have updates from trademark operations, which is
all about the examination and registration process
and then examination policy and administration and
IT who's going to update us on a number of IT developments, which I think are really exciting, and we're very happy. Kathi alluded to a couple of those in her comments, and Greg and his team will dig in more. So with that, let's jump in.

So the one thing that lots of people and we all wanted to keep an eye on is how are trademark applications going during the year. To a private company that's sort of equivalent to sales to us. That's what drives so much of what we do. And the difference is that we are subject to what's going on in the economy. So you can have ups and downs, but as you can see from this chart, by and large, for a long period of time, we have been on a fairly steady growth pattern. You all are aware of the massive spike in applications late in 2020, early '21, and again in the following fiscal year.

This year, fiscal year, we are now projecting that we'll probably be about 730,000 classes. That's not applications, classes which we track, which more closely aligns with the
actual workload as opposed to applications themselves, which make sense to us on the outside when they come into the office. It's the classes that drive a lot of the work, and that's about 7 percent below fiscal '22. A lot of factors, obviously, the economy and how things are in various parts of the world, which we'll talk about in a second. But that's our latest projection.

This is a monthly look at the same thing. And what's interesting about this, if you follow this, this goes back a number of years, but if you look at this on the right-hand side, you'll see a number of starting with the you see the spike that occurred in '20, late '20, early '21, and then you still see a lot of months above normal. So it wasn't just one month of spike that raised our inventory so greatly. It's been a great deal of them. Now, this has been generally trending down since then, back to more normal levels. But you can see even in the last four or five months, there were significant months of filings. That has an impact on how quickly we can
work our way through the inventory of applications and pendency that's related to that, et cetera. So it's good news from a standpoint of there's still a very healthy inflow of applications. It does challenge us in terms of workload. Now, if you break that down by the parts of the world, which we think is important to do, for the reason that we have people who file here from over 200 countries and so just the U.S.'s economy is while it's a significant part of our situation, it's not the only part. And so, you'll see the top line there is what's going on with the U.S., the next line down, which is a reddish colored line, is China. And then the next line down, which is kind of goldish yellow, I believe, is Europe. And that's a broad definition of Europe. So not just the European Union, but sort of everything on the continent that we would think of. So including Switzerland, Norway, et cetera. And then you see the green line, which is Asia Pacific without China included in it. And then the bottom line is the Americas without the
So you can see a fair amount of stability in a lot of areas. And at the same time, you see, for instance, in Europe in the last couple of quarters or last, a drop in China is going kind of increasing and decreasing. Even the U.S. is doing a similar thing. It's very up and down. It is not consistent throughout the fiscal year. So if you smooth all that out, you can see that the U.S. accounts for about 64 percent of filings. China is about 15 percent, Europe, 11, Asia Pacific without China, about six, and the Americas without the U.S. about 3 percent.

In terms of our people, we continue to grow because our applications and work level has grown. And all of the things that we do for the trademark ecosystem, we're now at about 1137 total employees, about 764 examining attorneys, and 87 of those were onboarded in fiscal '23. There's now -- the most recent class Dan will talk about has now started in the academy, and we are currently planning to hire 50 to 60 more examiners
in fiscal '24. In fact, recruiting has already started for that. The pie chart just gives you a breakdown of how all of the people within trademarks.

As you know, Trademarks was the first organization in the federal government to start teleworking about 25 years ago, maybe almost 26, and continues that day by a statutory program. Give or take about 90 percent of our people telework full time. Great number of people will telework a day, two, three days a week, depending on what they need to do and where they need to do it. What you can see in this chart, though, is where our examiners are located, actually our people, not just examiners, but where they are located. And we cover a huge part of the U.S. Including Alaska, Hawaii, Puerto Rico.

And I think that's -- we view that as quite important because the more diverse our employee base is around the country, the better our perspective and the more we can bring to the trademark process itself. Now I want to switch
gears a little bit and introduce you to Sean Mildrew, who is our Deputy Chief Financial Officer. And we're going to pass him the remote and we'll turn it over to Sean.

MR. MILDREW: Great. Thanks, Dave. Good morning, everyone. Glad to be here with you today. I have just a few slides that I'm going to use for today's presentation. An update on the financial management status. We're going to talk about the fiscal year '23 status with quarter three results and projections for the end of the year based on quarter three results. Touch on the new strategic plan that we've put a lot of effort into and then talk a little bit about what's on the horizon. The fiscal year '24 budget status, fiscal year '24 starts October the 1st, and so we're watching congressional action on that. And then the planning for our new budget cycle for fiscal year '25. We've started that effort in the spring and formulation continues on and then touch a little bit on fee setting.

So I'll try to be brief, but just by way
of scene setting for this financial management
update, I just wanted to for folks who might be
new or just a reminder for folks who've been here
for a while and heard us talk about the finances,
just to set the scene, I wanted to mention that
the USPTO in some ways is like a business, right?
So, for example, we're fully funded by the fees we
collect. We receive no direct general receipts
from the treasury. We're 100 percent fee funded.
Demand for our services drives both our workloads
and our revenue. So as demand goes up, our
workload and revenue goes up. As demand goes
down, our workload and revenue goes down, very
much like a business. And we plan over multiple
years for our budgets. Our budget planning
process spans many years and we actually employ
some private sector tools such as an operating
reserve, that gives us the flexibility to plan
within a range of potential revenue estimates.
And so, we have the ability, in addition
through regulation, to set our fees to recover the
costs of operation. Okay. So that said, so
that's the business side of it. But we're still a federal agency, so we're an independent agency within the Department of Commerce, within the United States government. And so, as a federal agency, we have some constraints. And while we're funded by the fees we collect, spending those fees that we collect requires an annual appropriation from Congress. So that's a little bit of -- while we collect the fees, we can't spend them until Congress gives us an appropriation.

And when we adjust our fee rates, the regulatory process, the rulemaking process, increases the time that's necessary to actually effect fee changes. So it takes over a year, sometimes close to two years, to actually effect fee and rate changes. And our fee structure incorporates public policy considerations, right? Something that a business wouldn't necessarily entertain, but we do. And it doesn't seek to maximize revenue, that's for sure. And in fact, we can only set fees to recover the aggregate cost of operations and we don't seek a profit.
And in addition, we're subject to many government wide policies, regulations that impact both our spending and our operations. For example, when there is a government-wide pay raise, we have to incorporate that, whether we've planned for it or not. That is just part of being a federal agency. So I just wanted to set the scene a little bit by just describing a little bit about how we're kind of like a business, but we're also kind of like a federal agency. And it's a bit of balancing act between those two worlds that we arrive at operating from a financial perspective, the USPTO. Which I have to say, as a time budget person in the federal government, it actually makes it very exciting. And I know that's kind of a shock maybe to some people like, wow, budget is exciting, but it is. And it's definitely a pleasure to be a part of this kind of an organization because we really do have top-notch talent here in addition to the complexities of our financing.

So it does make it a lot of fun. So
now, without further ado, let me go on to the usual slide that I present at the TPAC public sessions. It's a graphical representation of our funding outlook for fiscal year '23 using our third quarter data, June 30th of this year. And you can see we have the usual layouts, right, the patents business line, the trademarks business line in the middle there, and then the total USPTO, total. And that's just the addition of those two columns.

So I'll just focus on the trademarks column since this is the TPAC public hearing. And so, we start off the fiscal year with our appropriations level of $542 million. And we've updated that revenue forecast to be a little bit lower than what the appropriation and what our forecast when we put together the President's budget for fiscal year '23 about 18 months ago. So now that we have some current year actuals through three quarters worth, we're able to adjust those numbers down. And you can see we also adjusted the patents number down as well off the
original appropriation.

So that gives us a projected year-end revenue amount or fee collections of $456.6 million for the trademarks business line, we add back our operating reserve and other revenue to add back another $217.6 million, along with the Trademark fee reserve fund amount of 8.2. And so, you can see there was also an amount added back to the Patents business line as well, the 23.5. That's because we actually ended up last year in fiscal year '22 collecting more revenue on both the patents business line and the trademarks business line than what was appropriated.

And so, that money gets then reserved into the Trademark fee reserve fund and through a reprogramming request, which is essentially a letter to Congress asking to get that money allocated to us. We received that money and so you can see the agency received a total of $31.6 million in addition to our numbers. And so, that gives us the estimated funds available for the patent and trademark business lines of the $5.124
And then looking at year end spending, our projections there are in red. So those are subtracted from our available funds to give us an estimated year-end operating reserve of $176 million, which is great because our minimum operating reserve level is $120 million. So we're well above our minimum operating level.

And that's, again, part of that private sector tools that we have available to us here at the USPTO. Okay, so next slide, I'm just going to talk very briefly about our strategic plan. Took about a year and a half to put this together. Our USPTO issued a press release on June the 7th announcing our new strategic plan. It took so long because the Director was very, very adamant about receiving comments from not only the PACs, both the TPAC and PPAC, but also from the general public, from our stakeholders, and even from our employees here at the USPTO. So many, many points of feedback and input went into developing our new strategic plan, which will take us out to 2026. So it's driven by five major goals, and you can
see them there.

So if you have commented or provided input or feedback on our numerous drafts over that year or year and a half of crafting this plan, we really do appreciate it. We think we ended up with a pretty darn good product. And we'll use that then for planning and for measuring our results against our strategic plan. So our budget for fiscal year '25, which we're formulating now, will be incorporating those principles. But before I get to '25, let me talk about '24, the President's budget, which as the fiscal year '24 starts October the 1st, as I'd mentioned.

And so, Congress has taken the President's budget for fiscal year '24, which was delivered to Congress earlier this spring, and now they're working on their version of what they think the allocations should be for the federal agencies. And so House and Senate committees have had their hearings and that thankfully both hearings focused on the other DOC bureaus and not on USPTO. And we take that as a vote of
confidence that the Congress is happy with our progress. So thank you very much, Congress.

And then switching over to the fiscal year '25 budget formulation, we've already started that. We kicked that off early this spring. And that we're finalizing our fee estimates and requirements so that we can put together an OMB budget submission which will go to the Office of Management and Budget, part of the Executive Office of the President in September, early September. But before that goes, our public advisory committees, our PACs, will get a preview at the draft document. Okay. And so I think my last slide here is just a reminder of the six major stages of fee setting through the public rulemaking process. It does take a while and you see we're in stage three right now. The public comment period for the TPAC hearing closed on Monday, June the 12th. The USPTO received written comments from 101 individuals and/or organizations, and the commenters represented a wide spectrum of our stakeholder communities,
including individuals, practitioners, law firms, charities and six IP organizations. So we really do appreciate that feedback.

A second public comment period will follow the publication of the Notice of Proposed Rulemaking, which is we're anticipating sometime to be late winter or early spring time frame. And then you'll see we'll have three more stages to go through before we actually enact. And so, I think that's it. Unless there are any questions or comments, happy to entertain those as well.

MR. ENNS: Sean, thank you.

MR. MILDREW: Yes.

MR. ENNS: I'm Rod Enns, Chair of the Finance Subcommittee for TPAC, and I first just wanted to acknowledge you and the entire OCFO team and the really stellar job that you do in supporting the Trademark office and of course patent, too, but our focus is trademarks. And, you know, just note that your office really does represent the gold standard in many ways among the entire federal government and has been objectively
recognized that for, what, going on 20-plus years, I think now. So we at TPAC really value that and acknowledge that.

Beyond that, you have been really helpful to us. And trademark lawyers are not known as being great with numbers. But in a lot of ways, I've come to realize that the numbers really represent everything that happens in the office and all of the trends, all of the policies that are implicated, everything that drives the office and what it does and what it's striving to do. They're all in those numbers, if you know how to read them. And you guys have been just really effective at helping us understand that and interpret that. So thank you from all of us.

Let me ask just one question that maybe you can elaborate for a minute on. I don't want to get us off schedule, but you mentioned the congressional budget negotiations, if that's an appropriate word, and I think all of us, you know, have read in the media there are all kinds of predictions, some dire, some not so dire, about,
you know, how our leaders in Congress may
eventually come together or maybe not come
together. Could you just say a word or two from
your perspective about the potential impact on PTO
and specifically the Trademark office, depending
on what may happen this fall, as to whether the
congressional leaders are able to come together on
a budget or a continuing resolution, or maybe not
even a continuing resolution, and what impact
those possibilities may have on us?

MR. MILDREW: I sure can. Yeah. Rod,
thank you for those very kind remarks. I really
appreciate it. We've got a great CFO team here at
the USPTO. And a kind of really great partnership
with Dave Gooder and his entire team here. And
so, it really -- it makes -- even though we've got
some challenges, it makes it a pleasure to work
here and be a part of this terrific team. So I do
appreciate those very kind remarks.

With regard to the next fiscal year,
fiscal year '24, which, as I mentioned, starts on
October the 1st, there is some consternation going
on about funding levels for federal agencies, and
that's a ripple effect of the debt ceiling
negotiations that went on earlier. And I'm sure
many of you saw in the news and other outlets that
those were kind of contentious and there weren't
really a strong consensus of how to move forward.
And so, we're seeing that kind of playing out in
the funding levels that agencies are receiving, at
least with their committee marks out of the House
and the Senate.

The good news is that for the United
States Patent and Trademark Office, both
committees have funded us at our request level,
which is great, and it makes a lot of sense since
our funding comes 100 percent from the user fee
communities, those folks who get services through
the USPTO. And so, that makes a lot of sense that
the Congress would allow us to fund our operations
from our anticipated projected collections. So
that's good news.

Other agencies that receive direct
appropriations out of the general receipts of the
treasury, not so much. And that's where I think there's going to be some pain felt across the federal government in the future, at least with the marks that we're looking at currently from -- coming out of the committees from the House and the Senate. We anticipate that Congress still has enough time, even though they're on August recess, to -- to do their work and put appropriations bills in time for the beginning of the new fiscal year, October the 1st. But if they don't, we're also anticipating that we'll probably be under continuing resolution, which means Congress would allow agencies to continue to operate, but funded at their current year levels. Fiscal year '23, not fiscal year '24 levels.

If that were the case, then, Rod, you know, I think we're in good shape noting the chart that I show that our operating reserve for trademarks is well above our minimum. So, I don't see -- I really don't see any impact for us in a negative way whatsoever. And because of that operating reserve at the $170 million level, we
should be able to continue on our normal planned activities without skipping a beat. And again, it's great that we're kind of a quasi private sector, quasi federal agency. We get to maybe have the best of both worlds, but then we also have constraints that one group or the other doesn't necessarily have either, so it cuts both ways. But with that operating reserve, it makes me sleep a lot easier at night. So I hope I've answered your question.

MR. ENNS: Yeah, that does. Thank you very much, Sean.

MR. GOODER: Any other questions for Sean? All right, well, with that thank you, Sean. Appreciate it very much.

MR. MILDREW: Thanks, David.

MR. GOODER: I'm going to turn the mic over to Dan Vavonese, who is the Deputy Commissioner for Trademark Operations. Dan.

MR. VAVONESE: Good morning. Happy to be here today. And I'm going to take a few minutes to talk about operations, where we are
with the examination, review of applications and
registration filings. So quick recap on our
targets. Our metrics for this year that we set at
the beginning of each fiscal year, we have our
pendency goals of First Action and Disposal
pendency at eight and a half months and 14 and a
half months, respectively, and our quality goals
for First Action and Disposal compliance, as well
as exceptional office actions. And like I said,
we set these goals at the beginning of each fiscal
year. We look at what our workload, our
projections all across the board, any anticipated
impacts we're going to have during the fiscal year
to come up with these goals.

Now, starting with our quality goals
through the third quarter, I'm happy to say that
we continue to far exceed our quality goals in all
three of those metrics. And those first two,
regarding compliance, did the examine attorney
make the right decision on the case? We continue
to do very well in that area. You know, we
provide updates to all of our examining attorneys
on recent case law to make sure that they're well
versed in any changes in the law so that they can
make these proper decisions.

And then when it comes to exceptional
office actions, the way to look at this is, you
know, did we provide the right level of legal
argument and support - support, evidence,
whichever that is, so our customers can make
informed decisions about the next step in their
process. So if they're refused or if there's
requirements that they make -- make, do they know
what their options are to move forward. So again,
we do very well in that area and that's kind of
the focus behind that.

On our -- getting to our pendency goals.
Again, this has been a challenge for the last few
years. You know, we've talked over the last
couple of years about the rise, rise, rise in
pendency, the rise in inventory. And we are very,
very close, very, very close on both of those
pendency goals. But what I want to stress here is
that really since the beginning of this calendar
year, we have stabilized pendency. So this is the first time we've stabilized in a couple of years now. And, you know, I know we keep talking about when that's going to turn down, but the important thing here is that we are stable as we are going into FY '24. We should be able to start to see that downward trend. But that's been a big focus for us is, okay, we are finally getting stabilized here.

It's kind of the same thing with the inventory. You know, and similarly over the last several months we have been stabilizing at our inventory levels. We have been hiring, I'll talk about that in a minute. We have been looking at efficiencies within the office as well. And again, we hope that we can start to turn this inventory down. But as Director Vidal talked about, you know, we have had changes in examination. We had a brand new examination system that we had to roll out to all of our examining attorneys this fiscal year. It's a new web-based system, so great for the future, but
there's a big transition to move over to that new system.

We also implemented the Trademark Modernization Act, which also has impacts on examination. So everybody is more up to speed with a couple of those changes. And we have another one coming up in a few months with XSearch that we'll talk about more at the next TPAC meeting. And this is kind of referring to what Commissioner Gooder was talking about. With each month we have differences in filings. You know, some months we have higher filings than others. So, but you look at it over the entire fiscal year and we have -- when months are higher in filings, you know, it's harder for us to drop our pendency. We anticipate certain times of the year, we have higher filings, but we really track closely where we are. And this is a way to look at how many filings are coming in versus the First Actions going out. And, you know, we track this at -- you, know, we report it at the monthly level, but we track it weekly and almost daily
where we are with our -- with our pendency. A couple of months ago we added a new tool or widget to our website regarding our -- regarding where we are with First Action examination. We have a metric for monthly average First Action pendency that looks at monthly. It also looks at certain other files that may go to the head of a queue based on, you know, some Madrid filing dates, as well as if the same applicant files several applications, we combine those together for consistency purposes. This new widget we have here is actually the applications that are on the examinee attorney's desk at that moment.

We update this weekly on our website so it's more accurate for what the customers really want to know. Hey, when is my application going to be examined? And we just added some more language on the website to explain this a little more, but we think this is going to really help. We've gotten positive feedback and we think this is really helpful to our customers so they know exactly what's going on in the process. And
actually the -- it's now October 13th, October 27th, because I just looked at it this morning.
So that's where we are right now.

On our staffing, and that number is incorrect. It's actually 87 examining attorneys this fiscal year, you know, we continue to hire examining attorneys. And what we have been focusing on is this new trademark academy that we are now one full year done with the academy, which means two of our classes have graduated from the trademark academy and we have two more classes currently in that trademark academy. This has been a great way to centralize our training and then after about the first year, then they go to their home law offices and continue the rest of their career. But it's been a great way to centralize our training and we continue to make tweaks and updates to it, but it's been very successful for us.

And also regarding our hiring, we are hiring more trademark professionals throughout our trademark services area to assist with the
backlogs and inventory in those areas as well, and
post registration specifically. We hired up to
ten new specialists to assist with all the
maintenance filings we've been receiving in they
were just hired two months ago, so they're all
getting up to speed and we're so happy to have
them. And we are also in the midst of hiring in
both our exam support units and in our
pre-examination unit to help with the incoming
responses and applications that are being filed.

The last thing I want to mention, and
Director Vidal talked about it as well, is our
continued internal collaboration on how to improve
the examination process. How do we become more
efficient in what we're doing in examination. We
work closely with both of our unions on this and
looking at not only what we can do within the
process itself, but also for the future, what
other IT tools we can add to help us with the
process. We've been looking a lot at First Action
examination lately and trying to balance how much
between pendency and quality, where that proper
balance is, so that the office actions are getting out, the decisions are getting out as soon as possible for the applicants, again, so that they can their -- they can get the information they need to make the decision moving forward on their cases. That was a quick update on operations, but that's kind of -- that's kind of where we are right now.

MR. CHO: So Dan, I want to acknowledge all the effort that's being undertaken on operations on the front line. I don't think we do that enough. It dawned on me that there's a couple graphs. This one the bar graph and then the other one showing the filings. So we know about the surge, but, you know, we've been here for a while and just me personally, I didn't realize until this moment that the average filings were exceeding the average level. So that compounded, I think, trying to address the pendency. So that's a credit to you all acknowledging that and readjusting that once, but I think twice your pendency goals. And
personally, we were hopeful of actually a downward trend, right? I think the public was. But the realistic picture is, okay, looks like maybe we're stabilizing and if the, you know, months continue, then okay, that's a huge, huge, I guess, setting of the next stage. Because the other part I want to uplift to you all too is all the changes that you're undergoing. There is, how can I say it, a cycle of time required to process that. And so, the big search one coming up, that's going to be a big one. The IT automation tools, maybe the efficiency isn't as what was desired, but it's still incremental. It's all building up. So in other words, real time changes while you plan for it when you actually put it into play takes a while.

So I want to commend you all. That I want to lift that up to the public to kind of understand that. My very specific question. Now, it's just a small one on the hiring because the academy has been central. So you hope for better efficiency and uniform training but also quicker
overall effectiveness of the examining attorneys.
I mean, not to focus on production, but the hope is that they can produce, right, sooner than before. So I was just wondering, in general, has that been playing -- coming into play the way you were hoping about what you expect maybe below expectation or above expectation on these first two classes now that I think it's been over a year. So just curious.

MR. VAVONESE: Yeah, it's been about at expectations. You know, I mean, it's a process. You know, it doesn't matter whether you are a very experienced trademark attorney or if you're fresh out of law school. This process of examination, it takes time, the amount of refusals, the amount of requirements that the examine attorneys have to learn. And then the bigger -- the more important thing is that they have to -- they don't have a lot of time to work on each application they have to go through.

So, so much of it is about not just spotting the issues but about spotting them
quickly and being able to make quick decisions and then supporting your decision with, again, the proper legal argument and evidence moving forward. So it is a process and we make sure to spend that time upfront so that it's right and that they get really good at it so we don't have to do more training later on. So it's been at expectations. I mean, we have been very happy with how the consistency of that training has gone so far.

MR. GOODER: Thank you. Any other questions for Dan? Thanks, Dan. With that, I'm going to move next to Amy Cotton, who is our Deputy Commissioner for Trademark Examination Policy, which covers a huge number of areas, actually not just policy, but policy and a whole lot more. So turn it over to you. Oh, we did move that around, didn't we? You thought you were going to get off easy, Greg. Going to switch gears. My apologies. Going to Greg Dodson, who's a Deputy Commissioner for Trademark Administration, which oversees a lot of departments as well. But significantly, for
purposes of today, IT for Trademarks.

MR. DODSON: Fantastic, Dave. Thanks.

I'll do a terrible job representing Amy. She's leaving. She doesn't even want to listen to me say it. But thanks, everyone. Hey, I just wanted to say a few things, and then I'm going to introduce our guest speaker. But welcome, TPAC members. It's great to see everybody again and everybody out there that's watching today live. Very much appreciate you joining us as well, too.

Director Vidal mentioned a lot of the great work that we've been doing on the IT side.

We're going to talk about the TRAM retirement process and where we are at the fourth quarter meeting. But we are just really ecstatic that with our CIO colleagues, we are where we are percentage wise on the retirement. So kind of a teaser for the fourth quarter meeting to join us and listen to where we are on TRAM retirement.

Today, we're going to take a few minutes of your time, and we're going to introduce our customer experience administrator, Mr. Charlie Thomas,
who's joining us live from North Carolina.

Charlie is going to walk us through just a very, very short demonstration of the new e-filing system that is the TEAS replacement that we're calling Trademark Center. And so without any further ado, looking at the time, gentlemen, in the back, if you could call Charlie up on the screen and over to you, Charlie.

MR. THOMAS: Thank you so much, Greg. Let me start sharing my screen to see if this starts working. All right, can you let me know do you all see my screen, which I am zooming in?

MR. DODSON: We've got you, Charlie.

MR. THOMAS: All right, sounds good. Thank you so much for having me. You are looking at the Trademark Center beta. The future vision for Trademark Center will become that central platform that you come to do business with the trademarks organization. That is a significant multi-year effort. We are beginning with where you all begin, the initial application. So today I'm going to give a brief walkthrough of the
current beta of the initial application. And within that category, we have a TEAS Plus equivalent that is a 1B, intent to use filing basis with standard characters. And this is because we're taking an agile iterative development process where we're developing testing with customers, getting employee input to refine it as we add functionality. For example, additional mark formats. That's kind of the next big release tentatively in October. And then we'll be tackling, adding much needed additional filing bases like 1A and 44E and D.

So, without further ado, one thing I did want to note is we looked at customer feedback and survey results on TEAS because we didn't want to start from scratch. We heard loud and clear from you all you want more robust save functionality. While you can do that in TEAS near the end, downloading locally, reuploading. So from the start we built this my applications and registrations area where you can see draft, currently just applications but eventually
additional forms. This has autosave capability, save button at the bottom of the page and as you navigate. So that was a huge pain point that we heard loud and clear and we've made sure to address upfront.

So let's get into the application itself. Now because this is a beta with limited set of functionality currently, we wanted to make it upfront crystal clear what those requirements and criteria are. Future state once this is fully built out and in production, you won't start with a wall of text. But we want to make clear and get people over to TEAS if their specific needs don't align with what capabilities we currently have.

So I am showing you a test account. I am not a trademark attorney, which is probably clear, but as an attorney, one thing that we wanted to do was make it a little bit easier to enter information. We already know your name, for example, associated with your account. So here you can import that information, you can modify the information if you needed to, but just saving a little bit of time as
you fill it out.

Again, you know, we need that affirmation you are in active and good standing and we'll continue. Here I want to note I'm not going to go through each form field. You don't want to watch me type those things. But here we've used a progressive dynamic form that as you enter information, it is progressively asking the next question or set of questions based on what you previously entered. This design choice was made in large part because we want to do a better job of bringing in high quality complete applications for our examining attorneys. We want to reduce the number of applications that are coming onto their desk that have something that might be a procedural issue. So we're trying to design it, add educational information in it to encourage more complete or better application data coming in to make their lives a little bit easier to focus on the substantive work.

So here I'll just make a couple of selections so you can see that. And here we do
have the domicile address. I'll enter just a couple of fields. And at the bottom of the page, if someone would like to provide a separate mailing address for the public record, they can do so here. Continuing on, here's an opportunity for correspondence information. And now I do want to note one thing. We also heard from customers, both in that T survey and we've been doing iterative prototype testing with small number of trademark attorneys, paralegals and pro se or, you know, business owners and entrepreneurs. You all wanted flexibility in the navigation. You want to see what I want to look at the filing basis page and not have to fill out everything first. Now, this is just a 1B, so there's nothing to enter here.

So we heard that and we made it so that you can navigate through the full form, looking at any pages without completing the entire application. So since we're on goods and services, let's enter that here. And again, because this is currently TEAS Plus, you have to
select from the ID manual. We will be adding that capability. So let's get shoes. Let's get some dog shoes and snowshoes, since I have some as well. We'll add those selections. Here, we wanted to make sure that the cost of an initial application is more transparent. And this is something we heard from you all.

So we created this summary panel that it is persistent throughout the application and now that it's populated, meaning we've selected goods with unique classes. And this was in large part to help our business owner, entrepreneurs filing on their own behalf to better understand the total cost and how that is calculated for them. And in our series of testing, this has performed pretty well. And then we need to enter a mark. I'm sure that would get through. Here I do want to note we're also -- if there's words in a language other than English, we have the opportunity to, you know, fill out that information. Again, we want to encourage a complete application if we can. But of course, we're looking at TEAS Plus
requirements.

Similarly for name consent, I won't go through those. We want to encourage that. And then we'll jump down to review and sign. Now, here are a couple of areas I wanted to note, for example, disclaimer previous designs. We had this more prominently in the trademark details, but in fact, that generated more confusion, particularly for our small business owner and entrepreneur filers. Because these are much less common and you can -- there is a strategic misstep that could occur here. So we wanted to set it aside, provide additional step to make sure people are making an informed decision on this. So that's why they are kind of set aside here.

And then the review and edit page. You can see everything that you have entered so far on this page, double check your work, and there is some, you know, form field validation. At this point, you can't proceed at least under the TEAS Plus requirements until you enter all that information. Some of them you can enter directly
here, like the owner information, but something like goods and services, if you attempt to edit, you'll be routed back there because there's more functionality, it affects the cost. So you click that and here you can go, we can -- let's go down. And we're actually not going to sell dog shoes, so let's remove those. You can see the total cost changed. So with that, that concludes my demonstration. And so, the remainder of the time, I'm happy to answer any questions now or later on.

Speaker C: MR. CHO: Any questions for Greg or Charlie?

MS. BROWN: No questions. Hi, this is Adraea. I did want to comment and say thanks to both you, Charlie, and you as well, Greg, as well as the entire team. For one, making the effort for this, and two, being able to show this. This might be one of the first public TPAC public meetings where we've been able to preview what's to come from all of the work that's happening. So I think it's exciting to see the new e-file system show it to the public. Certainly, I think it
looks fantastic. It's easy and simple, at least for the eye, and very exciting for it to come into effect very soon. So thank you for all your work and looking forward for more. So thank you.

MR. THOMAS: Appreciate it. It's a large team effort, and so thanks to the developers, user experience, team analysts, a lot more work to come.

MR. GOODER: Thank you. Thanks, Charlie. And, yeah, it is light years ahead of where we've been, which is exciting. Okay. Greg, anything else?

MR. DODSON: No, sir.

MR. GOODER: All right. Now, without further delay, I'm going to turn it over to Amy Cotton, Deputy Commissioner for Trademark Exam Policy. Amy?

MS. COTTON: Thank you. Good afternoon, everyone. Can we get the slides back up when conference services has a chance. Today, I'm here to talk a little bit about a bunch of things, but I'm going to start with an update on our register
protection program. The slides are really cool, so I hope you can see them eventually. I like smart art. So our administrative sanctions program is just one of our register protection initiatives, but it sort of has three parts in it. Here we go. Three parts in it. And the first part is what we call administrative review. This is where we are looking at suspicious filings. We're sort of tracking them through common data elements and finding a particular scheme that has the same characteristics, the same credit card, the same IP address, whatever it is. So we sort of, you know, are able to identify a series of applications or registrations that really were filed by way of rule violations, signature rules, certification rules, representation, domicile, whatever it is.

So we have a group of policy attorneys who are using outside contractors to identify common data elements that suggest that there was someone or something behind a large scale scam such that the applications that were filed are
most likely invalid and should not be able to continue on to registration. Once we've done that, then we identify those files, then we move forward to sanctions and may terminate those files. We may terminate or suspend USPTO.gov accounts from which those applications were filed. And we might also refer the practitioners that were involved in these rule violation scams to the Office of Enrollment and Discipline.

So there's sort of three different prongs that we use as part of this process. And I wanted to give you some numbers to show. I recognize this chart is a little messy, but just sort of bulk numbers. Since we started this program in 2019, we have issued 600 show cause orders that's the preliminary order. And then the final orders are 308. We have then touched 19,000 applications and terminated them because they were invalidly filed. We have sanctioned over 3000 registrations. We have suspended 407 USPTO.gov accounts. Now recognize though, that we did not institute ID verification, one person, one account
until 2021. So we were terminating a lot of accounts that were multiple, you know, accounts held by one person. So you see that the numbers go down after '21, because then it's one person, one account that we're eliminating. Just wanted to clarify that.

And overall we've referred 51 individuals over to OED who are in various stages of investigation by the Office of Enrollment Discipline and possible suspension discipline, you know, that sort of thing, by OED. So these are our sanctions programs by the numbers. Specifically on attorney discipline, I know we get good faith attorneys who get really upset with the bad faith attorneys. So I wanted to point out our wall of shame. So these are attorneys that have undergone OED investigation, and have -- which has resulted in discipline of some form. Now understand that the discipline that these particular folks have gone through, they have entered into a settlement agreement with OED. If they're on my next three slides, they've entered
into a settlement agreement and admitted to
certain rule violations and undergone, you know,
discipline from OED.

What I really want to point out though,
is you can see in the bolded where certain people
have also faced then discipline from their state
bar. So the USPTO can -- sends our discipline to
the state bar of the person who's been
disciplined, and that that state bar decides what
to do with it. So in several cases we've had the
state bar do something with the discipline that we
have issued. So we're tracking that and following
up on these to see what the reach of our OED
process has been. Let me go through just, you
know, same thing here, you can see on these
slides, and we've had two more recently that we
have disciplined that OED has entered into
settlement agreements.

There are, you know, cases that are in
litigation with OED that we can't talk about, I
don't even know about, they know, I don't know.
So there's more in the pipeline that we'll see at
some point in the future pop up if they go before
an administrative tribunal, but we don't have them
yet. But I just wanted to say that there are
attorneys who are violating our rules, and we are
going after those attorneys who are violating our
rules. Now, to the extent that one of these
attorneys has touched files, once they come
through the OED process, then we go and look at
those files, and we determine whether those files
are now invalid, they should be terminated. So we
follow up on the discipline, you know, we
initially refer based on suspicion of filings.
They go to OED, OED does their work, and then
something pops out. And then we follow up on that
with sanctions against the filing firm that hired
the attorney and go after the applications and the
registrations that were implicated and that are
sitting there riddled with rule violations and
should not be blocking you when you come in with
your good faith applications.
Okay, so just sum up. Slide again.
These are the big numbers that we like to report
out when you're looking at sanctions. So I'm
going to keep on trucking here. The next of our
registered protection tools that I just wanted to
update on today is Trademark Modernization Act
nonuse cancellation. So these are the expungement
and reexamination proceedings before the director.
Not before the board, but before the director.
And there's two parts to it, the third party
petitions. This is where a third party can
request institution of one of these proceedings.
We also have director initiated proceedings where
the director, on her own initiative, can institute
proceedings without a petition. By the numbers,
again, you like my red charts. What to focus on
here are, are the petitions working? Are
petitions coming in? Are they good? Are they
meeting the evidentiary burden of a prima facie
case of non use? As we proceed, that rate
fluctuates depending on how we're able to move
these petitions through the system. Right now,
the institution rate is about 59 percent, but when
we institute, the cancellation rate is 90 percent.
So when we get a prima facie case in one of these petitions, more than likely 90 percent, we're going to cancel the stuff that's been challenged. So that's a pretty good rate from where I'm sitting. So when you total the number of goods and services, we actually have our examiners count the individual goods and services that are canceled. So we're kind of trying to keep track of that. Of 2,165 that were challenged, we have canceled 2,150 individual goods and services. Let's see. So then director -- and these numbers are lagging a little bit because I went on vacation. Sorry. Okay, director instituted numbers. Now, again, this number is lagging. Actually, I just looked at our Trademark Decisions and Proceedings database, which is on our website. So I encourage you to look at it, and you can look at all the numbers. We actually have 193 director instituted proceedings. So we just actually started going after another specimen farm, which I'll talk about in a minute. So that number has gone up.
We're batting 1,000 here, or 100, I guess. We have -- everyone that we've gone after, we have been able to terminate and cancel the goods and services on which we instituted proceedings. So that's pretty good. When you add in our director and our petition proceedings, we're, you know, upwards of almost 3,000 goods and services that have been canceled. So we're pretty happy with these proceedings. You should know that we, actually, Dan graciously allowed us to pull in five examining attorneys to work on TMA petitions and eventually audit petitions on a detailed temporary basis. And we have been able to get our backlog of TMA petitions down to we're about 20 right now, which I'm very happy about. So there should be a little bit of a bump in average pendency or decrease in average pendency with these petitions. So we're trying to get the backlog down.

So a little bit about specimen farms. So this is what a specimen farm will look like online. And so, an examining attorney will get
this picture. And one of these particular goods 
and services are supposed to be, you know, the 
mark is supposed to be on there, like, COVID or 
something like that. And so, the examiner is 
looking at this going, you know, what is this? 
What do I do with this? Is this use in commerce? 
And when you look at it, okay, maybe it is use in 
commerce. But when you start drilling down a 
little bit more and thinking about it's, like, why 
is a website selling a tour bus and skirts? It's 
a little odd, right? And so, this has put alarm 
bells out for our examiners for years. And 
they're like, what do we do with this? 
So we started digging in a little bit 
more and trying to figure out what are the 
characteristics of these things. This just shows 
you we've instituted a bunch of director initiated 
proceedings against one specimen farm by Q-Seal. 
We have another one that we're working on now, 
which is Pets to Need. And you can see where we 
found evidence of nonuse as to the applications 
that came out of these specimen farms. What we
find is that the specimen farm applications, when they issue as registration, will pop up on auction sites. Not always, but it seems to be part of a business model where a filing firm, a foreign filing firm, generally will file a huge number of applications. They use a specimen farm website, which is an e-commerce website with all these, you know, disjointed products on them. Weird jibber jabber marks and a lot of missing information, on the, you know, in the very -- like contact information or, you know, the phone number is 12345 or whatever it is.

Very weird stuff, but looks like what they're trying to do is register 10,000 marks, all at once, as fast as they can, and then sell them on these auction sites, and get them, you know, whoever wants to buy a registration to get on an e-commerce platform can go to these auction sites to do this. Now some of these auction sites will actually sell you never been used, mark has never been used. And you're like, oh, that's not a selling point for U.S. Trademark law. Okay, so
actually, after we started instituting on QCL,
that went away. They took that down. So we're
just trying to raise some awareness of the
business model that we're seeing. And we're also
then trying to let you all know what we're seeing.
And to the extent that you are finding one of
these blocking you, you may want to file a
petition for -- TMA petition for reexamination or
expungement and raise this if we haven't already
initiated a proceeding on it, because you can't
count on us to find all of these and to have the
resources to go after all of them. But if you
want to go ahead and request a proceeding, then
this web page will give you a lot of the
characteristics to point to that we have found and
we have used as evidence in our proceedings.
So if you go to this web page, you can
see some helpful tips about how to do it. We also
are raising caution about auction sites. Don't go
to auction sites and buy an unused trademark,
because I'm hoping at some point we will terminate
all of those and get them gone because they're
invalid. Okay, this TMA takeaway is just the sum
up slide which you all have, just so you can see
what the numbers look like. Okay. I also want to
talk a little bit about communications and
marketing. You might have seen a news brief from
USPTO about the new welcome letter that Kathi and
Derek have been putting out to new patent and
trademark applicants. This is actually just our
-- I didn't put the welcome letter up there, I
probably should have. But this is our filing
receipt.

We refreshed our filing receipt for a
lot of different reasons. What we wanted to do
was definitely make it friendly, a lot of
exclamation points, and, you know, hey, this is
great, welcome to the family. This is really
neat. We wanted to elevate scams up higher. We
wanted to alert, particularly new filers about the
scams that we're seeing and, you know, the
spoofing that we're seeing of our employees'
names, phone numbers, our website. Everything is
getting spoofed. It's really difficult. And to
say, hey, call TAC. If you have any questions
about whether what you received is legitimate,
call the trademark assistance center right away
and find out. If it is, they will tell you.

And we're also providing in the blue box
there resources for new applicants. That's the
link to the welcome letter. And the welcome
letter will, you know, direct new filers to the
trademark web -- basics web pages, which are -- we
have revamped, and they are fantastic. I don't
know if you've looked at the trademark basics web
pages. Our trademark toolkit, you know, lays out
the trademark process and everything that you need
to know if you're a new filer. The welcome letter
also talks about our IP Identifier tool, DOC
resources for entrepreneurs, our PTRCs, and of
course, our Trademark Assistance Center when you
have any questions.

So we even put faces and names to show,
you know, hey, we're real people, and we're here
to help you. So hopefully that refresh filing
receipt does some real, you know, good to
encourage folks to use the trademark system and
the patent system here at the USPTO. One other
thing is, funny, I asked my staff, I was like, I
want to be able to find trademark alerts. I can't
find them unless I save them in my inbox. And
they're like, Amy, they're on the subscription
center. If you go to the subscription center, you
can search for trademark alerts by year, and then
you can find what you're looking for. So I
thought I'd help you because my staff helped me to
answer that question. So I do want to actually
make it a little bit more accessible on the
trademark pages eventually. You know, so we will
probably migrate this over so it'll be easier for
our customers to find them there. But if you want
to see all the trademark alerts and get all the
links to the web pages that have been subject of
alerts, then there they are.

And lastly, let me talk a little bit
about guidance and notices. You may have seen the
new software sign documents exam Guide. We heard
you. You wanted to be able to use DocuSign and
whatever other software signing to file

submissions, so we heard you, and we were able to
do that. I heard from a stakeholder that it may
be a little clunky now, but we'll see if we can,
you know, streamline it. Certainly with Trademark
Center, we should be able to build it into the
system as well. So I think it'll get a little bit
better. We are soon to issue a domicile address
examination guide. In the next few weeks, we
should be issuing that. It's basically to address
work steps for our examining attorneys about how
to handle domicile address issues. A lot of
issues swirling around there.

In particular, the issue of virtual
offices has become difficult for the USPTO for
trademark examining attorneys. People were
claiming that they don't have a domicile address
because they work virtually. I understand that,
but that has become a vector for fraud. People
are claiming that they don't have a domicile
address so we can't identify whether they're a
real person or not, and if they really exist, so
they have been claiming that virtual offices. Our
examiners were taking explanations, you know, on
the record, trying to explain that it was a
virtual office, it wasn't working, it was too
difficult for the examiners to manage. And I will
tell you that what has been requested in those
situations is a waiver of the domicile address
rule. Examiners cannot waive the rule. The
petitions to the director are aware the rules are
waived, and that's how we're going to be handling
going forward. So when this exam guide issues,
there'll be, you know, information about that
process in the guide.

Lastly, upcoming Federal Register,
actually, one is already issued. The attorney
recognition public roundtable Federal Register
notice issued went into public inspection on
Wednesday and it issued yesterday. We are doing a
roundtable on the attorney recognition issue and
how it relates to our correspondence rules. I
have heard and Dave has heard and Dan has heard
for, you know, for a while that there's a lot of
consternation in the community about the disconnect between our correspondence rules and our representation rules. And we want to hear from you. So we want to bring you all together at a roundtable and hear your views on how we should address the issue of whether the attorney recognition should end at abandonment and registration or whether it should be presumed to continue on post registration. And that way then we would send correspondence only to the attorney and not to the client, which is, I know, something that you all have been talking about, but we would have to change the rules to do that.

So that's certainly an issue and we want to have that conversation with you all. So please read that notice and come prepared with comments to our roundtable on the 26th of September. And then lastly, look for an upcoming Federal Register notice on ID verification for attorney sponsored accounts. We have been relying on attorneys to ID verify their support staff for purposes of USPTO.gov accounts. That is not working. We are
getting attorneys who are sponsoring people who
are not eligible to have a sponsored support staff
account. Particularly foreign agents are not
allowed to have a sponsored support staff account
and we're getting a lot of suspicious filings
through those accounts. So we are clamping down
and we are now going to be requiring ID
verification for those accounts just like
everybody else that will have a, you know,
phased-in implementation. We're looking right now
about October for a, you know, voluntary ID
verification and then mandatory would be probably
next January. So look for that notice. It's
still in clearance and it should be popping out in
the Federal Register notice in the coming months,
a couple of weeks, months. And that's all I have,
unless you all have questions.

MR. GOODER: Any questions for Amy?

MS. FREDERICKS: No question. I did
want to say thank you. I'm always impressed with
learning about the efforts that you guys are
taking towards scams. The specimen farms are new
and I know a lot of it has to be reactive, but it also feels like you guys are being as proactive as you can be. So I just wanted to say thank you for that. And now I know that I don't have an upcoming business for a specimen farm, I'll cancel it right now. And the other thing is a small note. I look forward to the day -- I look forward to the day, Amy, when your face is on one of those notices, that you took down some type of site and it's like gotcha.

MS. COTTON: That's fun.

MS. FREDERICKS: All in a little fun.

But no, seriously, thank you for all of the work that you and your team do.

MR. CHO: Amy, one small question. On the attorney discipline, are you seeing that starting to taper off now or is still pretty prevalent?

MS. COTTON: Well, I can't answer that question because we would -- we're looking at tens of thousands of files that have been in the system for a while and so --
MR. CHO: Understood.

MS. COTTON: -- they're older at this point. So to say that we don't have new impressionable attorneys or older shady attorneys who are going into these deals, I don't know the answer to that. So we're looking at the backlog and trying to address that. I would like to think that there's a deterrent effect and there's got to be, right? You know, I mean, people are getting suspended, they're getting a black mark against them and that's not something people are going to rush into innocently anymore, I would think.

MR. CHO: I appreciate that because I wasn't going to ask, but now I think I can. There was a slide that showed like a two-year lag in sanction orders coming and I wonder if there was some correlation with, you know, action being taken and how long it takes to investigate.

MS. COTTON: It takes a surprisingly long --

MR. CHO: Yes.

MS. COTTON: -- time because we're
dealing with tens of thousands of applications at once and we have to put together the evidence to be able to say that these were invalidly filed, does take a long time. The lag there is we issued a lot of show cause orders early on and never followed up. They abandoned or what have you. And I said, you know, we need to close that loop and make it clear that, you know, there is a show cause order. So my staff is trying to, you know, get those -- we call them the stale show cause orders, issue final sanctions orders. So it's clear what happened in each case and there's a record, so they are doing that. A lot of those have abandoned and are not moving anyway. But we want to make sure that there's a full story in our numbers.

MR. CHO: And I appreciate that.

Another reason I did this is to show that the numbers reflect one thing, but there's so much more going on in this area and attorney sanctions is just an example with the registered protection efforts that are happening. So I know there's a
lot of public information given on what's done, but I think on this particular set of meetings, we have really understood and appreciated the breadth and scope that you're dealing with and it's still playing itself out.

MS. COTTON: Yes.

MR. CHO: And so, that's what I wanted to make sure the public was aware of. Despite all that, there's great effort being made in this because in my career here, attorney sanctions were such a very small tool, you didn't see very much of it. But right, the last year and a half? It's quite a bit. So it's a reflection of the times, in addition to everything else that the office is dealing with. So I appreciate that.

MS. COTTON: OED used to have very little work on trademarks. It always was patent practitioners, and now it's, you know, tripled on the trademark side for them, for sure.

MR. GOODER: Yeah. And on that, I think we are actively encouraging that OED really look at the agreements they enter into and are they
tough enough to really produce the result that I think the trademark community wants and that we certainly want. I'll just make one comment on the proactivity part of this. If anybody's instituted any kind of anti-counterfeiting program in their company or for clients or brand protection program. It takes a huge amount of resources and time to go from being sort of reactive to proactive. And it's not a switch you can just flip, it's a matter of time. And I think Amy and her crew have gone -- have leaped an enormous way towards productivity in the last year, year and a half. It's somewhat resource restricted too. So one of the things we have to do is make sure they have enough resources and technology, et cetera, to keep doing more, especially on the investigative side and then the enforcement side.

I also want to bring this up that it's these small items that in the grand scheme of things, doesn't seem like it's going to be a big deal, but it is very impactful, right? So from the large filing numbers to now seeing this
questionable activity, the specimen farms,
attorney discipline. It creates havoc when you
really have to dig into it to clean it up because
it has really affected the integrity of the
register. So I applaud the office of trying to
get ahead of it, but as you're digging into it,
you realize it's just much bigger than anyone ever
thought and it's really having such an effect.
And it's a moving target.

MR. ENNS: Could I just ask a quick
follow-up question on that, David?

MR. GOODER: Yeah.

MR. ENNS: Amy, superb work on a lot of
this stuff, specifically on the specimen farms.
To the extent we members of the public run into
specimen farms in the wild. Do you all want to
hear about it, or is that something that you're
doing your own investigation and our input is not
really going to aid that?

MS. COTTON: There are a couple of
different ways that you can report things to us.
Now, the one we like the best is if you file your
own reexamination petition under TMA, and that
makes sure we're addressing your issue on a timely
basis. Other ways that you can do it, if it's not
immediately blocking you and a pressing issue, you
can certainly send an email to TMScams@USPTO.gov.
You can highlight these things, don't necessarily
expect a response because we're getting a lot of
emails to that, but we do have people following up
and checking on it. Is this on fire or can this
be, you know, put on the list or however that is.

Another option is a letter of protest to
the extent that you find evidence of nonuse. You
know, if you find in the specimen form, you
collect evidence that this mark is actually not in
use in commerce, you can file a letter of protest.
Prepub, most likely, but, I mean, you could do it
post pub, too, and bring that evidence to us, and
we can determine whether it's relevant and can be
sent to the examining attorney if it's at the
right stage, you know, of prosecution. But, yeah,
those are three different ways you can bring it to
our attention.
MR. ENNS: Great. Thank you.

MR. GOODER: Yeah, and we appreciate it when you do see them, you know, sending them in.
Okay. Thanks, Amy. And now I want to turn the mic over to Chief Judge Gerry Rogers from the Trademark Trial and Appeal Board.

MR. ROGERS: Thank you, Dave. I will just briefly bring you up to date on some staffing issues, some filing issues, and mention in conjunction with Charlie Thomas's presentation, TTAB Center, which is going to, we hope, look and feel a lot like Trademark Center that you saw because we -- a demonstration of, because we know that most of our stakeholders are using both TTAB and trademarks websites and services and portals. And so, I guess we'll have to find ways to make sure the TTAB Center looks different enough so that you're not filing an opposition when you think you're filing an application. But I'm sure we can work that out.

Let me start by pointing out that since the last meeting, we now have three of our judges
lined up to work career development training
details in the Deputy Chief Judge position at
TTAB. And Judge Melanie Johnson, who's here with
me today learning about how TPAC operates, is the
first of the three who will be filling that role.
And then Tom Shaw, Judge Tom Shaw and Judge
Cynthia Lynch will also be cycling through the
role. So in future meetings, you will be meeting
the other detailees who will be filling that role.
Eventually, of course, we will be filling the
position on a permanent basis. But this is a
great opportunity for us to give an opportunity to
our judges who are interested in possibly joining
management to see what the work is like.

So let me -- and then as I go through
some of the filing slides, I will tie that into
other staffing changes. This slide is really
just, you know, what's our total inventory? How
many cases of all types? All three major types,
oppositions, cancellations, and appeals are
pending at any one point in time. And the only
significance of the slide I wanted to point out is
that oppositions are the top line on the slide and they are trending down. So that means the total number of oppositions that we have has been decreasing some, not really substantially, but slowly and steadily over the last couple of years. But we still have 5,000 oppositions pending at any one point in time. So that's the major part of our caseload.

The bottom two lines are cancellations and appeals, and appeals are the bottom line. And you can see appeals are trending upwards. So they -- for most of the past two years, there were fewer total appeals pending at any one point in time than cancellations. But it looks like they may be at an inflection point where they're going to start becoming more than cancellations as we go forward. And I'll show you that on another slide in a moment.

Filings by quarter kind of illustrate that total inventory that we saw on the previous slide. These are just the new incoming cases on a quarter-by-quarter basis. And you can see on the
top line oppositions, you know, up and down, quarter to quarter, but generally trending a little bit down. And the blue line, again, showing the appeals going up through, steadily going up in this fiscal year, the first three quarters of this fiscal year. And on this slide, this shows you the rather dramatic change in the filing of ex parte appeals, which is probably a result of the fiscal '21 filing surge of trademark applications.

And so, we were wondering how long it was going to take before those applications were going to hit our shores. And we saw gradual but steady increases in ex parte appeals for about six years. But then last fiscal year, we saw almost a 10 percent decline, which was kind of mystifying to me because I wasn't sure why we were seeing a decline when trademarks was seeing such a dramatic increase in the number of applications being filed. But the mystery was solved pretty quickly. So once we got into this fiscal year, everything changed rather quickly. And so, a 10 percent
decline last year is looking like it's going to be a 15 percent increase this year.

And given the amount of time it takes trademarks to work through that inventory and for final refusals to issue and notices of appeal to be filed, this could be the start of a trend. And I don't think we're going to be seeing bump ups, bump downs, you know, alternating year to year. I'm thinking we're back into that steady upward trend on applications. And last year was just a down year for applications being appealed. So our goals, our processing goals, given that we have seen an increase in the new cases, you're wondering, well, how does that affect our goals for processing? Well, we're not really -- our goals don't get affected dramatically by the number of cases coming in the front door. It's the ones in the pipeline that are affecting these goals.

And so, for the trial cases already in the pipeline, we have a goal of deciding motions in 12 weeks or less for any cases that come out
the other end of the pipeline, appeals or trials, we have respective goals, different goals for processing final decisions on the merits in appeals and trial cases. For the first goal, motion processing, contested motion processing. The blue line shows the goal that we want to stay below. We don't want to exceed 12 weeks processing time on average for contested motions. And our interlocutory attorneys from NTEU 245 are doing a great job. We're below the goal, which is where we want to be, and pushing it down as far as we can, because we know that even though those oppositions I showed you on an earlier slide were trending down, we still have at any one point in time, 7,000 trial cases pending.

So motion practice is not going away anytime soon. And in fact, in some respects, on an anecdotal basis, when we talk with the managing interlocutory attorney, we can see, you know, increases to some extent in certain types of motion practice, in certain types of cases. The appeal processing means the processing of final
decisions on appeals from the time they become ready for decision, that we were pushing it down for the last couple of fiscal years because we thought that trademark filing surge was going to be eventually pushing more appeals through the pipeline that would require disposition on the merits. And so, that's why you see this trend line going up, because we are experiencing more trial cases that need to be decided on the merits. And that on this slide, you can see the trial case pendency is going up. And the reason the increase in the number of trial cases that require disposition on the merits causes both the trial and appeal lines to go up is because the trial cases take more time. And some of them are very large record cases that can take a panel of judges months to get through 10,000, 20,000 pages of evidence and decide those cases on the merits. And so, if panels of judges are working on trial cases like that, they're not getting to some of the X party appeals. And so, that's why both of the lines
seem to have gone up in tandem, even though the
case is ready for decision on the merits. The
bottom two lines, the top line is combined, and
you can see it going down a little bit, but the
middle line is the number of appeals coming out
the other end of our pipeline requiring
disposition on the merits, they are going down.

So we're getting a lot of appeals filed,
but they're not far enough in the pipeline yet to
be ready for decision on the merits. So that line
eventually is going to turn around and start going
up that middle line. But in the meantime, the
bottom line is trial cases. And that has been
going up. And we will experience this year, the
second consecutive year with more than 200 trial
cases requiring disposition on the merits. And
that's after two years of well under two
consecutive years of well under 200 trial cases
requiring disposition on the merits. So that's a
significant change that's affecting our workload.

Let me just go to TTAB center and point
out I don't have the flashy demonstration that
Charlie showed you, but we will be able to show it to you at some point in the future. So we're calling it TTAB Center, just like Trademarks is calling Trademark Center. The notice of opposition form is the first one that we will deploy, and what we will do when we have this form up and ready for beta testing and then eventual use, is have TTAB Center running concurrently with ESTA, our online filing platform that you're all very familiar with.

But if you are faced with a choice, am I going to file a Notice of Opposition through TTAB Center or through ESTA? We will be promoting and extolling on our website the benefits to all of you of using TTAB Center. But you will have to have your MyUSPTO account, which is not necessary to use ESTA, but you will need it to use TTAB Center. And you will be able to, as Charlie showed you in the demonstration, just import some information from your MyUSPTO account and other databases pretty easily by checking boxes. And you will be able to access TTAB records and pull
in other information when you're completing your Notice of Opposition filing form.

And as Charlie said, their first application that they were working on is a, I think it was a TEAS Plus application, standard character mark, you know, very minimal requirement, and that's going to become the basis for development of other forms later on. Same with us. We're developing the Notice of Opposition form, and we'll later develop the petition for cancellation form and other filing forms for both trials and appeals. And we hope that we will learn a lot during the beta testing of the Notice of Opposition form that will influence how we develop and fine tune the rest of the forms.

And you are going to have better protection, better security in TTAB Center, there is going to be two-factor authentication in place. You will have the same kinds of tabs that you could see in Charlie's demonstration, where you will have draft notices of opposition, plus new
ones that you want to create. And you'll have the
ability for a support staff person to work on a
form and then later on send it to an attorney for
review or signature, so it'll be -- it'll
facilitate that collaborative process. And you
will not have to go through the entire form all
the way to the end for fear of losing something
that you've entered, which is more of what you
experience in ESTA. So you'll be able to save
things like kind of partway through and then come
back to them later on.

So that's all I really wanted to cover
today, and if you have any questions, I'm happy to
take them, but otherwise, we'll see you again at
the next meeting.

MR. GOODER: Thanks very much. Any
questions?

MS. DEUTMEYER: Judge Rogers, this is
Tracy Deutmeyer from TPAC, and I just have a brief
question that has come up among TPAC this morning.
It's actually about the final pretrial conference
pilot.
MR. ROGERS: Sure.

MS. DEUTMEYER: And the question is whether parties can request to become part of the pilot or at least make a suggestion that they'd like to be a part of the pilot? What are your thoughts on that or direction for the public if they want to become a part of the pilot?

MR. ROGERS: I would never tell any party to not ask for assistance of the board. If they think that the board can provide assistance, then you can always try and arrange. And I think the reason why parties are going to be thinking about whether we should go into the pretrial conference pilot is because they're having some difficulties, or they expect that trial is going to be rocky in some way, or that the record is going to be really large and the board could help the parties figure out what to possibly stipulate to as to facts or stipulate to as to the introduction of evidence into the record.

And that kind of discussion is something that should be available by asking the
interlocutory attorney assigned to the case to have a phone conference with the parties. I mean, you already have the option of asking for board involvement in a settlement and discovery planning conference or requesting a phone conference with a board attorney whenever the parties have reached some sort of impasse and need help breaking that impasse. This sounds like it would be more, not so much a request to break an impasse, but more forward thinking about how we prepare for trial. And I don't see why we shouldn't be open to those requests coming in. Now, I'm not sure all the judges and attorneys at the board, if they're listening, wanted me to say that, but I'll go back and make it right with them.

MS. DEUTMEYER: Thank you.

MR. GOODER: Yeah, thanks very much.

We've come to the end of the program at this point, so I will turn it back over to David. No questions online?

MR. GOODER: There are two that I've seen and one more. Oh, it's two questions in one.
Right, yeah, I'm sorry, you're right. Thank you. Just jumping ahead again. Wanted to -- to open up the microphone to Cathy Faint who is here representing NTEU 245, I believe. If she's still online and if conference services you can pull down the slides and put up the participants, that would be great. And Jay Besch, who's usually here, was on vacation this week, I believe. Cathy, I think you're muted.

MS. FAINT: Thank you, Dave.

MR. GOODER: There we are.

MS. FAINT: Hello, I'm Catherine Faint. I am Vice President of NTU 245 and an interlocutory attorney with the Trademark Trial and Appeal Board. And I'm glad to be here representing our examining and interlocutory attorney members of NTU 245. Our president, Jay Besch has been working very hard with our executive board and our several volunteers who work on committees to meet the many challenges inherent with the pace of the changing electronic examination systems and all of the many electronic
systems that we now use.

Our examining attorneys are currently facing the first of these changes with the new XSearch system, which has become -- is not easy. It's hard to use. It's a new language that we're trying to learn and we're working quickly to learn that and keep the same level of quality that is our standard. And we share many of the concerns with you, our external customers, as we all work to try and make this system effective and useful for all of us in the future. We are heartened by a renewed commitment from Trademark management to work collaboratively with NTU 245 as we try to hammer out how we will do our work with the changing electronic tools that must be updated and must be updated quickly. And we are all committed to speaking frankly and honestly to work out solutions while meeting the needs of examining attorneys in the office. And I want to thank everyone here today who's obviously working also very hard as we all try to face this new future together. Thank you.
MR. GOODER: Thanks Cathy, very much.

And next is Harold Ross from NTEU 243, but I don't believe he's online. Just double checking. No. There it is. It's telling me no. Okay, at this point we'll move to questions and we usually just take a couple of minutes here to make sure we've checked and that we have all of them, et cetera. So if you all can just pause for a couple of minutes, we'll be right back.

(Recess)

MR. GOODER: Okay, so we have essentially two questions that came in, in one email, and these, I think, Dan, are for you or if anyone else wants to jump in. The first, is there's a link dependency for examination of amendments and responses.

Days per the website where target is 14 days. Why is that and what efforts are being made to address the delay?

MR. VAVONESE: Yes. So the way the office processes the incoming amendments and responses, for several years now, we've had a
tool, you know, it's built into our processing where the majority of the responses get automatically entered. And that's based on did the applicant use all the necessary data fields? Did they -- there are certain categories of amendments that we want somebody to look at and not just auto process. Like, if there's a drawing amendment, if there's filing bases, certain other changes that we want somebody to look at, not just auto process.

So that 86, obviously the majority of our responses get auto process that day. I shouldn't say obviously, because you see 86 days on the website. The responses that need to be reviewed, that's what the -- that's what the 86 days is referring to. Those are sent to our exam support unit and we have been understaffed and we are hiring to get additional staff professionals within exam support to help us with that percentage of responses. It's about 85 to 15 percent. So 85 percent are entered and then the other 15 percent go to our staff to review first
before they're sent on to the examine attorney.

So that's -- what we're doing to solve it is hiring. And then farther out in the future and we've got to discuss this how else we can continue to utilize that auto processing as well.

MR. GOODER: Okay, thank you. Second one is, in my experience, some law offices are much further behind than others. Is it the case that this role is performed on a law office by law office basis, or is it a consolidated function?

MR. VAVONESE: It's consolidated.

MR. GOODER: Yeah. It's not done by law office.

MR. VAVONESE: Correct.

MR. GOODER: All right, thank you. No other questions. All right, back over to you, David.

MR. CHO: Well, thank you very much. Normally, I just sign off, but I want to take a few moments and mention that partly by mistake and partly by design. I did not explain why we had a shorter meeting. And I'm hopeful that all of you
who started have stayed on because of the length.
And the reason why we set out in the beginning of
the year to really look at how we can be a more
effective resource, not only to the PTO, but to
the public at large.

So the first public meeting we had was
the second quarter. That was more of what you've
been used to the last few years. So this one is
an attempt to see how we can be effective, more
effective. And this is a shorter format,
streamlined. And if you noticed, we did not cover
all the traditional topics. So I would appreciate
if you have any quick reaction to that, go ahead
and email the TPAC address there. And I'll take
this as affirmation. We had one live participant
who was able to stay through the whole time, maybe
because it was a shorter time frame and didn't
have to leave early and could make the time out,
that it was just enough that, yes, it's worthwhile
to come here. So thank you very much for
participating with us. We look forward to
continuing working with the PTO and informing you
all of some upcoming things coming in the pipeline, as you know, with the fee setting and also all the IT changes that are coming underway. So with that, again, thank you for participating and have a good rest of the day. Bye.

(Whereupon, at 1:03 p.m., the PROCEEDINGS were adjourned.)

* * * * *
CERTIFICATE OF NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA

I, Thomas Watson, 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: September 30, 2025

Notary Public Number 256314