

UNITED STATES PATENT AND TRADEMARK OFFICE

TRADEMARK PUBLIC ADVISORY COMMITTEE MEETING

Alexandria, Virginia

Thursday, October 16, 2014

PARTICIPANTS:

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P R O C E E D I N G S

(9:00 a.m.)

MR. TEPPER: I want to see if we can get everyone to take their seats. We're starting five minutes behind already, and if you don't start a meeting, you can't finish a meeting. So we're going to start up in just a minute, thanks. Good morning. The lovely background music is fading out. Otherwise the room got very quiet. So I would like to begin this special Thursday edition of the Trademark Public Advisory Committee. I want to thank you all. Typically we meet at the end of the week on a Friday, but it is a special week. There's been a lot going on.

Trademark Expo will be taking place tomorrow and Saturday. I know you're going to hear more about that later, but certainly if you are walking around the PTO, you can already see the preparations that are being made. It's been a very active week here. So we are all glad to be here and participating.

I just have a couple of brief announcements. I believe everyone is aware the

Public Advisory Committee is formed by the American Inventors Protection Act. Our job is to serve in an advisory capacity, to advise the office on matters of operation, personnel and budget. And so we are nine members who have been appointed and three ex-officio members here at the office, and we're glad to be here.

This is kind of a bittersweet day though. This will be the last time that three of our members will be here meeting with us. We do have three members who are coming up to the end of their three year terms, and I do want to take just a minute to recognize them and to give our thanks. It's amazing how quickly three years go by. When you agree to do something for a three year term, it seems like an awfully big commitment. And then it seems like you open your eyes and it's time to move on.

So I would like to say a special word of thanks since we will not be together in person again to our three members who will be -- now they're on the job until December 6th. I want to make this clear. So when we call with an issue and when we're finalizing reports, I'm going to

go on record to let them know, you'll be getting your emails.

(laughs) But for the moment and just a congratulations, Ray

Thomas Jr. Ray is here in Washington DC with the law offices of Ray Thomas. He has been a very active member. Has been instrumental informing our International Subcommittee, helping us focus our attention on some of those areas. And Ray, by the way, looks the very best in a bowtie. We are going to miss that. There has been a request that perhaps we can get Ray to leave a bowtie here in the conference room for us. So Ray, if you come up for a second, we have a certificate we'd like to give to you.

MR. THOMAS: Thank you. (Applause)

MR. TEPPER: Also, Jody Drake. We're losing our local people this year. Jody is with Shugrue Mayan here in Washington DC. Jody has been very helpful looking after the matters that I have a hard time understanding, working with our budget committee. Jody has been our informal social chair and director. She holds us all together. Shows good humor and good comments,

and even though she had to rush back to the office yesterday to get some work done, she still was looking after all of us to make sure everyone here had a place to get together. And we really appreciate all of the time and all of the work.  
(Applause)

And finally, Linda McLeod. I don't know how she does it. In the last three years, Linda is with Kelly IP in New York. She has managed to work with our TTAB Subcommittee. She's been active on TPAC. She's worked with starting up a new law firm, and I suppose in her spare time she's a mother of three. So an incredible lady and Linda, thank you.  
(Applause)

And I want to go off agenda for a moment. There is one other person who is not planning to come back to TPAC meetings, and I have to say this breaks my heart. I believe you all in the office know, Debbie Cohn will be retiring at the end of the year after 30 years of serving the PTO. We don't have enough to say. I think one of the biggest reasons many of us are on TPAC and are happy to come in, it is the wonderful people who

give so much to the office and volunteer. And it's appropriate that Debbie is at the very top of that list.

You will see -- and I've continued my challenge, if anyone is able to find any item or issue in Trademark operations that Debbie is not already aware of and top of, I'm continuing to offer a bounty. That has never happened, and I don't expect it will happen. She has been a tremendous commissioner. She has worked in virtually every position in the office over the years. And to say that we will miss her is an understatement, and we just -- we want to thank you for all of the incredible leadership service and the good humor. And we're certainly going to miss that.

And so those of us on the TPAC, including some folks who have served previously under your term, we got together and at least wanted to give you some notes and some expressions from each one of us. And I think a standing ovation is in order here folks. (Applause)

MS. COHN: I'm not sure what to say. This was a tremendous surprise, and I appreciate

your sentiments Maury and everybody's in the room. And I will miss everyone here. I know however that the reason that I and the team has been so successful is because of the team that you see here in the room. They are just a fantastic group of employees and executives at the USPTO, and I know that will continue. Thank you.

MR. TEPPER: Thank you. Well, I've lost complete track of time. However, I suppose we need to have a meeting today. So we are going to start with a legislative update. We're going to go just a little bit out of our traditional order. But one thing is for sure, when you're starting somewhere off, an outpost in wild west quickly learned, you need a gunslinger to look out for you. And you want to put them out front. When issues come up on Capital Hill, Dana Colarulli is our gunslinger. He is on top of things. He is out there manning the frontier posts and looking out for what's coming ahead for us in IP.

So we appreciate -- I asked Dana, by the way, if you stay for Expo tomorrow, whether he might be wearing a costume. And I challenge

anyone just to ask, shake the hand of all the mascots that are here and see if you can locate him. But for today, he at least is very dapper in his suit and tie and will be updating us on what's coming down the pike on legislative matters.

Mr. COLARULLI: Thanks Maury. I'm taking suggestions on costumes that you all would like to see me in. I will say, you know, I often -- so please, after the meeting, let me know. My favorite is the five hour energy drink. You know, Maury I often feel not like a gunslinger, more like that little coyote that runs along the side of the cows to try to all keep them in line, and I'm only partially successful only some of the time.

So happy to start off the meeting today and give a little bit of an update on where Congress is. I do need the little slide switcher. So we're not technically in the lame duck -- what folks call the lame duck session of Congress yet. That's not until after the midterm elections, but the midterm elections are pretty close. So I thought it was appropriate to start

off looking a little bit ahead at the 114th Congress. We still have slightly over two months to go before that happens.

But folks, we're already looking to see what changes in leadership will affect our issues, technology issues and intellectual property issues more generally. That analysis starts for us with our judiciary committees, our authorizing committees. And depending on what happens in the midterm elections, it will have different impacts.

Certainly one thing we know already on the House of Representatives, the current chair of our subcommittee that has oversight over USPTO, the Subcommittee on Courts, Intellectual Property and Internet, Howard Coble, long-time chairman. At one time ranking member, at other times, has been a champion certainly for intellectual property rights across the board. Retiring this Congress. That creates an opening, and certainly they'll look to folks in the Judiciary Committee. They'll look in other areas as well, Energy Commerce, other committees where there might be folks that want to take over

the mantle of the subcommittee.

It's a prized position. It deals with issues that affect many different companies. So I think that there'll be some within the Republican ranks, some competitors for that position. It's possible that the Senate might switch. Right now the margins in the Senate are a slight Democratic lead. It's very, very possible under a couple of different scenarios, and we've read through a lot in the press recently, that it will flip. It's possible that the Democrats will keep a slim margin.

If it switches, the default would be -- Senator Grassley would be the Chairman of the Judiciary Committee in the Senate and Patrick Leahy would continue in a leadership role, but in the minority, as the ranking member. There's lots of speculation now and I'm seeing it this week and even last week, raising to say, well, what impact will that have for technology?

I think for a lot of our issues, I'm not sure there'll be a huge impact frankly. I think -- one of the issues I spent a lot of time working on this year, patent litigation reform.

I think you face some of the same challenges with a Republican majority as you do a Democratic majority at the committee level, certainly as you get to the full Senate as well. So I put this up there just to start you all thinking about who are the folks that I'll be responding to, talking about the work of the agency next Congress. It's still anyone's guess at this point.

Since I last was in front of all of you, we testified in front of the Subcommittee on Courts, Intellectual Property and Internet. Deputy Undersecretary Michelle Lee went up and talked about the agency. This is a great opportunity for us to talk about the good things that we've done, frankly a lot of the progress we've made on the patent side. The continuing good operations on the trademark side and talk about a lot of the international issues and other domestic issues that we're working on.

You can see in our submitted testimony a number of issues that we wanted to make sure that we started the discussion with. You can also see a sampling of questions that the Subcommittee members asked. And they may be very germane to

what's in our testimony. They may not be. Some issues like cigarette packaging, the trademark rule in Australia, was what Representative Holding -- that was the issue that he wanted to talk about and he raised questions there.

Certainly a lot of interest, and not to take away from Shira's and Dom's thunder next, they'll talk about the Attaché Program, continuing interest on what we're doing there. How our attaches are helping US companies. But then a number of operations issues as well, funding. Do we have the funding we need? How is your satellite office expansion going, among other issues.

We hadn't testified for about two years previous. So good that we got up there. We're actually in the process right now of officially responding to some questions for the record the committee got to us at the end of last month.

Last overview slide, I'll start with -- just to give you a sense, and I'm not making any conclusions from this, but I'd like to put up the statistics here. A number of bills introduced as you see from the 108th through the

113th, increasing number of bills introduced. Number enacted decreasing. So it just does show that aside from the least controversial, oftentimes that's naming Post Offices and other things, it's very difficult to move legislation through Congress. Intellectual property enjoys that small space where progress can be made, and we'll talk about a couple of things I think, even in the lame duck you'll see some action before the end of this year.

So let's go through the issues.

Trademark -- Congressional activity on trademark issues. Four things I'll highlight. First our Law School Certification -- Law School Clinic Certification Program, both a patent and a trademark component. We expanded it this year. It's still been in a pilot phase. Representative Jeffries from Brooklyn, New York, saw this as a great program. Wanted to establish it as a permanent program and legislation passed out of the House before Congress left to jump on the campaign trail. It got through most of the clearance it needed to do on the Senate side, what's called a hotline in the Senate. I expect

there will be some action before the end of this year on that bill when they return on November 12th.

Continuing interest in ICANN issues. Continuing discussion, at least just on the House side on seals as well as flags last time we met and certainly now somewhat dated since there's been additional activity, interest -- legislative interest on Red Skins. I think most of that interest and activity has moved off the Hill and away from the Patent and Trademark Office.

New Congressional Trademark Caucus was launched just recently with four goals that INTA has been I think instrumental in helping staff identify both what the goals are and start thinking about some programs. I think we'll be very involved in helping to support some of those programs on the substantive side. I think it's a good development to focus on a lot of the issues that all of you focus on and things that we're trying to focus on here in the office.

I will say, their first event was on the Trademark Expo. And this is my opportunity to

show pictures. I want you to know, I had to organize this entire event so I could get a picture with Debbie Cohn. (laughter) In addition in that picture is Representative Moran. He joined us for a Capital Hill event, about 30 to 50 folks up on the Hill. We brought some of our friends in addition to our Congressional staff there, staffing out the caucus our Trademark characters. And I'm hopeful that we'll get some good Congressional staff here tomorrow and on Saturday as part of the thousands that will be running through our doors.

I think, again, great event up on the Hill. Hope to continue doing that to raise the visibility of this particular event. I will mention Debbie's holding a statement for the Congressional record. Representative Moran also retiring this year after a very long run in Congress. Regularly has run a note in the Congressional record, again, trying to amplify -- raise the visibility of this particular event, the importance of Trademark. So we thank him for doing that.

Copyright activity. Continuing

series of hearings up on the Hill in front of the House Judiciary Committee. Just two hearings here in September since we last met. Additional hearings possible during lame duck. I think the opportunities are very slim for that to happen. There's a couple of dates. So we may see additional hearings. I think you will see hearings again into next year as that committee continues its comprehensive review.

Some copyright legislation discussed. Certainly this one I'm highlighting needs to be acted on by the end of this year, the authority under the Satellite Television Reauthorization Act expires at the end of December. So it's called "must pass" legislation. Thankfully I think the House and the Senate bills attempted to make this somewhat a clean bill. Not add on a number of things to make it look like a Christmas tree like we see sometimes in legislation. Very hopeful that will move forward in the lame duck as well.

I think next year holds promise for more comprehensive legislation on copyright issues. What that'll look like, unclear. Now we're

hopeful that with Shira, you'll hear from Shira next, Shira's efforts and the efforts of the office, we're helping to define some of those issues and working with others in the administration. So there's been continuing work on the Green Paper here at PTO and throughout the country, facilitating good discussions on those issues. And we're continuing to work, now moving to Congress, towards implementing two very important copyright treaties that were -- the US signed onto within the last few years. So continuing work over the next few months and into next year.

Activity on patent related issues. I've talked a lot to this group about these issues. It's taken up certainly a lot of the bandwidth of my staff. The White House and the administration continue to be interested in moving forward legislation next year to address some of these issues. The USPTO is right there helping to lay the ground for a positive discussion. And frankly, be that expert advisor that in a real way talks about the impact of some of these proposals as they're discussed on

Capital Hill.

This Congress saw a lot of activity, both in the House and then in the Senate. And the Senate then stopped the process at least for this Congress when Senator Leahy pulled the bill from consideration, citing a lack of consensus. So we're hopeful that those discussions will start up in the lame duck to talk about what might happen in the 114th Congress. I think further action on either a comprehensive legislation on the patent side, or even more narrow efforts. And there had been some discussing demand letters, discussing changes at the ITC. I think are very unlikely at this point. But that discussion will start up again next year.

In the meantime, USPTO has been doing a number of things on the administrative action side to try to improve the clarity of patents, make prior art more accessible among other things. Provide more resources, whether that's pro-bono resources or pro-se for the smallest patent applicants. We're trying to do our part to level the playing field and to address some of these issues, to limit abuse in the courts.

Just for sake of reading quotes, the president certainly last year and before, was focused on this. Just recently, last week, the president was in Los Angeles, again, talking about this. Talking about how this will continue to be a priority. We're glad to see that, and we expect to be in a lot of conversations in the months to come.

Last thing, I'll highlight trade secrets. I think this is an area where you may see action this Congress. Still, there are a few months left. There is very limited time, but there is general consensus that some legislation on trade secrets would be helpful. There is still some questions over the language that's selected and the language frankly that now is both in from of the House and the Senate.

So possible, if not taken up the beginning of next year, to try to make sense of the differing rules across the country essentially on trade secrets. And USPTO has been supportive of helping staffers draft the right language. We'll continue to be supportive in that way.

Last few things and I'll wrap up. Continued work on the satellite offices, continued interest from our Congressional delegations, as we opened the last two permitted offices. And we've been working with Capital Hill to keep them updated. As you know, we opened our Denver office. We're looking forward to permanently opening up the Silicon Valley office beginning of next year, the Dallas office the end of next year. So a lot still to come. You'll hear from Tony Scardino later today talking about our funding. Again, we're in a situation where we're in a continuing resolution. Unclear what Congress might do, but likely move forward with an omnibus sometimes around December 11th, hopefully before December 11th.

And then I'll jump right down to IP awareness. We're continuing to try to bring staff into the building here, talk about what we're doing on the trademark side and the patent side. Continuing to go up to the hill and talk about some of these issues. The Congressional Trademark Caucus is a good partner in doing that. And then the last few months we've seen increased

activity for members travelling abroad. Certainly a number of trips to China, and we've been supporting those.

Again, I'll preview Shira and Dom. Our attaches have been critical in that effort, but it's a good opportunity for us to talk to members about what we do, what resources we have and how we can help them and help improve the environment for intellectual property. So that, I'll end. Happy to take any questions.

MR. TEPPER: Thank you Dana. Do we have questions? You are encyclopaedic and comprehensive as always obviously. Even when it's a lame duck time or a relatively quiet time, it's a very busy time in Dana's world, and it's good to know that we're continuing discussions on virtually every aspect of intellectual property. So we'll look forward to continuing to monitor that.

Well, I'm going to make a slight change to your printed agenda, and we are grateful -- several years back had the opportunity to hear from Shira Perlmutter and I'm glad she is able to join us today. She was

originally going to be out of town, so we count this as a very fortuitous stroke for us. I believe that your agenda reflects Dom Keating, Dominic Keating. Shira is actually the head of the Office of External Affairs, and she will be joined by Dominic Keating as well, who heads up the IP Attaché Program.

This is a program that honestly, we on TPAC were somewhat unaware of until a few years back and have been learning more and more about the program. I think it's a great potential resource for trademark owners and the trademark community. So we did want to keep this out in front of everyone, to hear a little bit more about how the program has been growing and expanding. And really to hopefully encourage more awareness of this program and resource in the trademark community. So thank you both.

MS. PERLMUTTER: Thanks Maury. We're delighted to have an opportunity to be here and to talk to all of you about the program. Before I start on that, I did want to just add one thought to Dana's presentation. He mentioned that as part of our copyright activities here, we're

doing a number of different programs, and one of them is conducting a regular multi stakeholder forum on improving the operation of the Notice and Take Down System for ISPs under the Digital Millennium Copyright Act. And I only mention that because I think it could be of use to trademark owners as well.

I know that trademark owners are often using a similar system and Notice and Take Down can be very helpful in that context as well. And what we're hoping to do is by the end of the year, to have this multi stakeholder forum produce some sort of best practices and possibly worst practices, agreed on list. And they may do other work as well, including some possible standardized forms and things that could be quite useful in the trademark context too. So I just mention that as something you might also want to watch as it develops. And those meetings, by the way, are open to the public and are webcast if you have any interest in watching. And you can find information on the PTO website.

So to get to the Attaché Program. What I thought I'd do is say a few words about the

program generally and its goals and purpose for anyone who wasn't here, I think it was two years ago, when we last presented on this. Give you a little bit of an update. Talk a little bit about the funding, because I know that's of interest and concern to this group. And then turn it over to Dom to give some examples of actual work that the attaches have been doing.

So we really see this as -- the program, as a keystone of our international outreach, and it's been extremely successful. It started in small form in 1996 in Geneva and then moved to China five or ten years later. And then it's been growing since then because it has been, to our mind and to the community that we hear from, very successful.

So the IP attaches are diplomats that are based in US embassies or consulates, and they are also IP experts. We hire them, although they then work for the commercial service while they are serving as attaches. And the purpose of having them is to improve the IP systems in the countries where they're based. Also to serve as liaisons to those governments on the whole range

of IP issues that we deal with. And also, very importantly, to help US stakeholders navigate the system in those countries.

And they have backing them up, they're not just lone rangers out there, they first of all often have local specialists who also work with them there. And they also have teams here at the PTO. So we have cross cutting geographic teams in the Office of Policy and International Affairs that deal with patents, trademarks, copyrights, enforcement and trade. And they all are their resources back here at base for giving them whatever substantive and analytical help they need. And often sometimes fly out to help them with programs as well.

So we now have attaches -- we have 11 attaches currently based in 8 different countries. And as I said, we started in Geneva. We now have two attaches in Geneva and one of them covers trips and other WTO matters. And the other one covers WIPO and UN agency matters. But that's primarily WIPO of course. We also have put attaches now not just in China where we now have three, in Beijing, Shanghai and Guangzhou,

partly because of the commercial significance. Well, largely because of the commercial significance of those two other cities. And also in the other BRIC countries. So in Brazil, we have someone in Rio. We have someone in Delhi, and then -- what did I leave out? Russia, in Moscow.

A challenging post these days, because we have some limitations in what we're allowed to do with the Russian government, as you can imagine. We also now have attaches in Bangkok covering Southeast Asia. So some of them are really more regional, and they happen to be located in one country and city, but they're covering the whole region. So Bangkok for Southeast Asia. Mexico City for Central America and the Caribbean and Kuwait City for the Middle East and North Africa. And originally that person was slated to go to Egypt, but again for politic -- for reasons of political instability, that was moved to Kuwait City.

And we are expanding. We've now hired someone to go to Brussels and cover the EU, cover everything that's going on in the EU. And this

was something that we were persuaded to do by the commercial service in Brussels, that said it would be extremely useful to them to have an IP expert on the ground because it was not always possible to fly in someone from capital. And the IP issues were so front and center throughout Europe these days.

So that's where they're located, and they've got I think four main activities. One is that they directly advocate with their hosts governments, looking for changes in policies and laws and regulations on IP. One is to train host government officials on IP matters. So that's -- you could see that as an indirect form of advocacy, but also a way to beef up, especially enforcement for us and for our stakeholders in other countries.

So they train judges and prosecutors and police and customs officials. They also train trademark and patent examiners, and then they train policy officials as well. Third, they build grassroots support for our policy positions by conducting public awareness programs. And that's something I think is critically important

and I think we need to keep focusing on in the US as well. But it's important to be doing it in other countries. And they'll involve politicians, academics, business people and students as well in a lot of these programs.

And then finally, last but not least, one of the very important roles that they play is to directly assist you as stakeholders to help direct them to appropriate people and resources in that country. To help explain to them how the system works, whether it's specifically the IP system or more generally the legal system. So they're really there to assist.

So that's in big picture paint strokes, that's the program. Now on the question of how it's funded. So the program is funded by fee revenue from the PTO. And there was an agreement about ten years ago I think now, between the then commissioner for trademarks and the head of Policy and International Affairs as to the split. And the split at that time was decided to be 55 percent trademarks and 45 percent patents.

Now I wasn't there of course. I imagine that the reason for that was a perception

that somewhat more than half of the work that the attaches would be doing would be to assist trademark owners in dealing with their issues in these countries. A couple of months ago, at Maury's request, at TPAC's request, we delved into what the current actual division of work is for the attaches. And while it may not be exactly the same in every city and region and in every year, we looked at the information that we had that we could analyze.

And so what we did is look at the list of specific programs that the attaches conducted. So that would be training and outreach programs of various kinds. So again, probably two of the four main functions that they do, and that's what we had the data for.

So what we did is to say that the methodology we used in analyzing percentages was to say that if they did a program that was devoted solely to trademarks, obviously 100 percent of that would be allocated to trademarks. If they did a program that was on enforcement, we divided it 50/50. And if it was copyright, we allocated 25 percent to trademarks and 75 percent to

patents.

And the way -- using that methodology for the programs that were done last year, it was FY 2013, is that right? What we determined is about 42 percent was trademarks. So substantial, but somewhat below the 55 percent. Now what we don't know is how that number would change if we also looked at the less formal advocacy that the attaches are doing and also the direct help to US stakeholders that they're doing. My guess is that a higher percentage of that still is trademarks, but we don't know.

And so what we've now done going forward is to ask the attaches to break that down and start reporting on those functions as well so that we can get a better idea. And we could I think, and Dom can speak to this, but I think at the next meeting we might be able to give you at least preliminary results for a few months. And then obviously after a year we would have more robust data on those functions as well and how they break down.

So that's what we found. And just to give a brief conclusion before I turn it over to

Dom, to say that based on all the feedback we receive, what the IP attaches do is extremely valuable to stakeholders and to the government. And that's why we have kept on expanding it and trying to increase the outreach and the publicity around these programs. We have gotten glowing review from the Chamber of Commerce, from the Global IP Center. We have gotten glowing reviews from INTA, and then obviously individual companies have sent a lot of testimonials, thanking us for work on particular problems and issues.

USTR and the other agencies, including the other parts at Department of Commerce, have found the program very useful and they rely heavily on the attaches to help with all manner of US negotiations. And I will say personally, having just come back a couple of weeks ago from the WIPO general assemblies, during that week, because about 150 countries are gathered in Geneva, we do a whole series of bilateral meetings on the outskirts of the general assemblies. And I will say, every country where we have an attaché based, told us how incredibly valuable they found

it and what a good relationship it was and how useful it was to have that kind of direct liaison between them and us and on the entire range of issues.

So I was impressed by that, and I thought I would report that to you. So we do -- we are thinking about how we can best reach out, continue to reach out to US stakeholders and businesses and make sure that they get the full benefit of the program. I think companies that are active in INTA and the US Chamber of Commerce, get a lot of information about this. And the question is, how do we make sure we also are reaching out to smaller companies that may be less sophisticated and less involved in those associations?

So any thoughts you have about that would be greatly appreciated. And we do have contact information for the attaches available on our website. So they can be contacted directly, and also anyone can contact Dom and he can give more information and be helpful as well.

So I know we don't have a lot of time, but I just thought Dom might be able to give you

just a few examples of the kind of work the attaches have done recently.

MR. KEATING: Thank you Shira, and thank you Maury for inviting us here today. I would like to, as Shira mentioned, just give you a few examples of some of the things that our IP attaches are working on and some of their accomplishments since we last met two years ago.

First, I'd like to give you an example of an accomplishment by our IP attaché in Moscow when he directly advocated with a foreign government. Our attaché conducted regular meetings with the government of Kazakhstan, seeking to prevent the transit of counterfeit goods across borders, amongst other IP issues that were priorities within the region. Specifically he met with senior customs officials. He also met with the Ministry of Justice and Ministers of Parliament to discuss these issues.

Following these constructive meetings, he was invited to provide a briefing on regional IP issues to the Prime Minister's Council, to improve the investment climate. As a result of

that briefing, the council created a public, private IPR working group that is headed by the minister of justice in Kazakhstan. This working group includes American companies, American industry interests, such as AMCHAM, and it also includes senior Kazakh officials.

The IPR working group is currently holding meetings at a regular basis to develop IP legislation that will enhance criminal liability for trademark infringement, prevent the sale of counterfeit goods, medicines in particular, and to facilitate the seizure of counterfeit goods at the border, amongst other IP issues that it's working on.

Next I would like to give you an example of how one of our IP attaches in China has directly helped a US company. A Memphis based furniture company contacted our IP attaché in Guangzhou to report a dispute with one of its Chinese original equipment manufacturers or OEMs located in Guangdong Province. The US company reported that the OEM filed 13 design patents on the best sellers out of the company's catalogue and used the registered design patents to stop the US

companies other OEMs from producing and exporting their products.

The US company reported a disruption in \$3.5 million worth of orders, including three containers that were blocked at the border. Our IP attaché in Guangzhou and his staff met with the US company's CEO and their local council to provide information and guidance about patent invalidation in China's judicial system, as well as suggestions on working with local customs and other local government authorities.

About one week after the meeting the US company reported that it had successfully utilized the guidance provided by the attaché. More specifically, the company had started the process of invalidating the design patents filed by the OEM, and local customs had released the three containers that were held up at the border. The US company expressed its appreciation for the suggestions and support provided by the attaché.

Finally I'd like to provide you with an example of how our attaché based in Rio directly helped a US company. An American manufacturer of greeting cards and toys contacted our IP attaché

about a trademark related problem. The director from the US company's former licensee, who had access to a proprietary database, with artwork and information about the toys, started a new company that was manufacturing and selling nearly identical toys using the US company's trademarks in Brazil.

Furthermore, the Brazilian infringer was preparing to export the dolls for sale in Mexico and Venezuela. The American company was particularly concerned that the infringer would participate in an upcoming trade show, perhaps tainting the entire brand. The US company sought the attaché's assistance with complex questions involving the criminal and civil IP laws of Brazil. The US company also explained its strong desire to not tip off the infringer while successfully preventing the infringer from showing his products at the trade show.

Working in coordination with the US government in Washington, the IP attaché held several conference calls with the US company to fully understand its concerns and to address its questions about Brazilian law. The attaché then

worked with ICE, the Immigrations and Customs Enforcement officer at post, to advise the US company in the procedures for engaging law enforcement officials in Brazil and potentially organizing a seizure operation.

As a result, the US company authorized its Brazilian council to file a civil complaint, while at the same time organizing a seizure operation at the infringer's warehouse. These steps successfully stopped the Brazilian infringer from showing their knock-offs at the trade fair. The general council for the trademark owner stated that, "It's good to know that there are people like the attaché who can help us if and when we need it in Brazil."

With that, I'd like to join Shira at encouraging you all to utilize the help of the attaches. I hope these examples have helped you to wrap your minds around some specifics about what the attaches do and how they might benefit you. As Shira mentioned their contact information is on the USPTO website, and if you need any additional assistance, please feel free to contact us. Thank you.

MR. TEPPER: Thank you both. Do we have questions for Dom or Shira this morning? Well, I do -- just a couple of things and obviously I sort of in my mind was thinking of these film strips we used to see back in school. When you think about your -- when you file a trademark application, where does the money go? And there are these sort of frontier outposts around the world. It's I think one of those things that's not at the front of our minds. It's still an incredible resource, and for any outpost to succeed, you mentioned having support from the office and access to US personnel. Can you tell us a little bit more about how that works? And I think too in particular, we're glad you're here today. We want to make the trademark community more aware of this resource.

But what can we be doing to help inform, learning all of the advocacy and training that's taking place on the ground? And I know each one of these countries present their own unique challenges. What can we do to help shape and support and provide updates on where are the issues heading? What are trademark owners most

concerned about? If we're -- and I'm glad that companies are finding you and contacting you directly. But for those of us who don't work in a large corporation, what can we do to help keep these attaches up to date and help guide them on where they should be investing that time and resource?

MS. PERLMUTTER: Let me start with one idea and then turn it over to Dom who spends all of his time thinking about exactly those questions. The attaches do come to the US. They come to Washington for a week every December. They meet with the Chamber of Commerce. They put on a -- I think it's open to the public, event, where the attaches present and other people present, and there is an opportunity for discussion.

They also go to the Hill. Dana takes them down to meet with people and talk about what's happening in their region. They spend time here being updated and updating us. There is a very healthy dialogue. And we just started this year. We're going to be also taking them to the West Coast, to our Silicon Valley office to

have an opportunity to talk to businesses out there as well. So that's one opportunity for actually live face-to-face meetings with all of them at least once a year.

MR. KEATING: Thank you. I'd like to follow up on what Shira said and address your other questions Maury about the support that the attaches receive. I'll talk first about the support that they receive from USPTO headquarters and then talk about their support structure more broadly.

So within USPTO, within the Office of Policy and International Affairs, we have what's called Country Regional Teams. These are teams of IP lawyers, with some trademark experts, some patent experts, copyright and also enforcement experts. All with particular knowledge of the laws and regulations of the country and region where the attaché are based. These teams meet regularly, and they speak with the attaches regularly to coordinate on issues that the attaches are facing.

And to give you an example of how they might work together, where a new law, such as the

draft Chinese Trademark Law is published, the attaché, as soon as they can get their hands on it, they'll send it back to the team. The team will analyze it. Develop comments, and then the attaché will often walk those comments into government offices in China to address the issues that the team have identified.

MS. PERLMUTTER: And just to add to that. So one of the ways for industry to get their views known, is when you work with all of the lawyers in OPEA, we are transmitting the views of industry and of stakeholders to the attaché. So that's another way besides the direct contact with them, we're constantly making sure that the stakeholder positions and views and concerns are transmitted.

MR. KEATING: And just to finish up on the point about support, at post, at the embassies and councils where the attaches are based, they normally chair what's called an IPR Working Group. So they pull together all the sections at post that work on IP issues, including the FCS section, the Economic section, the ICE, the CBP, the Public Affairs sections, FBI and others, to

talk about IP issues. Also to prioritize these issues they develop what's called an IP Working Group Action Plan that identifies all the issues that they're seeing and in a manner that's consistent with US policy developed in Washington. They prioritize these issues and they coordinate on tackling these challenges.

So the IP attaché chairs these working groups, and they meet regularly to compare notes and to focus their efforts to address issues of common concern. So in some array, there's a fair amount of support that the attaches receive, not just from USPTO headquarters. But also from the interagency at post and even the interagency back here in Washington.

MR. TEPPER: Thank you. I see a couple of questions here, but I think it's -- I complimented Thomas earlier on starting an international subcommittee within TPAC. And I think it's fortuitous, and we certainly look forward to continuing and increasing our dialogue with your group and hope that that will be one helpful point of contact.

I think I had Dee Ann and (inaudible).

MS. WELDON-WILSON: Well, great. I have a couple of follow-ups on things you mentioned that were interesting. One thing is, you mentioned some of the types of actions that the attaches take to improve the trademark system in other countries, such as providing comments to proposed laws. So a couple of questions. I'll just put them out there and leave them.

One of them is, what other types of actions are you doing? Are you doing anything proactively? Is it reactive to someone proposing a law? Or are we actually going in and asking people to change their systems? And also, I love the idea of getting views from the public to pass on. But first, do the country regional teams that you have here work directly with the public so that they can have their views? And if not, how would you like the public to provide you with their positions on non-US trademark laws? Thank you.

MR. KEATING: So with respect to your first question, first of all, thank you for your questions. And with respect to your first question about how the attaches -- oh, are they

proactive or not? And certainly they are proactive and they go in to the ministries, whether it's the Ministry of Commerce and Industry, the Patent Office, the Trademark Office, the Copyright Office, the Customs Office and other ministries to discuss IP issues of concern on a regular basis. And we consider this to be the centerpiece of their work. It's not waiting until the draft law comes out. It's helping to shape it before it comes out. Once the draft law does come out, certainly we weigh in.

But we have a continuous advocacy effort, and the way I like to think about it is, the old model with advocacy overseas, was to have an econ officer or an FCS officer who addressed the issues at the 10,000 foot level occasionally. And they relied on experts from Washington to come out to advance the dialogue, which only happened every -- once every few months. With our IP attaches on the ground, we advance the dialogue every day on an ongoing basis. They're continuously interacting with their counterparts and explaining to them our positions on IP issues and why it would be in their interest to adopt our

positions and to make changes to their laws, policies and regulations that would be more favorable to right holders, for example.

So their advocacy, their outreach, their training, it's proactive. It's regular. It's continuous, and we try to take advantage of every opportunity that we can to address issues that arise. I think the other question you asked was about the county regional teams and do they have access to or do they interact with stakeholders? Certainly they do. They interact with stakeholders at public events. Some of them will pick up the phone and speak with friends and others who they know. Or they'll receive calls or have meetings with stakeholders that have particular concerns.

That's helpful for feeding into the policy making mechanism. The attaches also directly speak with stakeholders at post continuously, US stakeholders who have a presence overseas, interact with them. But also when they come back to Washington, and I believe that Shira mentioned that they come back for IP attaché consultations each December. And they interact

with large numbers of industry associations, including some of the ones who are here today, to talk about a full range of issues. And they take careful notes, and they go back and they bear in mind what they've learned here in Washington, to go out and try to improve the IP systems where they're based. I hope I've answered your question.

MS. PERLMUTTER: If I could just add two things to that. So one is in terms of how often they're interacting with the host governments. When we met with the head of the Mexican Intellectual Property Office in Geneva, he actually said he talks to our attaché there several times a week. He personally talks to him several times a week. So it's that kind of access that they're getting, and they're regularly discussing the whole range of issues.

On getting input from the public on the trademark policy issues, I just would say, Dom described a lot of the ways the attaches do that. But of course that's a question for us here too. It's not just through the attaches that we're reaching out to other governments or expressing

opinions on the trademark policy issues. And Amy could give more information on that since she heads up the trademark team on Policy International Affairs. Obviously on specific issues we hold public events to gather information if there's a new issue that's come up. And otherwise I think there's just a lot of ongoing dialogue back and forth and participating in meetings like INTA.

MR. TEPPER: Thank you. I have run them a little past time, but I have two more questions. If you promise it's really, really short Dee Ann. Please do.

MS. WELDON-WILSON: I promise it's short. One of the things is, the country regional teams. Do they support the public directly? Like, the public can call them and ask what are the laws in Mexico and how does this work? Or do they only support through the attaches?

MS. PERLMUTTER: They are just part of our office. So we have, in the Office of Policy and International Affairs, the lawyers are divided into substantive policy teams. So there's a trademark team, a copyright team, a

patent team, enforcement and trade. And so what we've done is just established cross cutting regional teams that have at least one lawyer from each of the substantive teams to cover different regions of the world and become experts in the law and the issues there.

So they work for us generally, and it's just they support the attaches for that region as part of what they do.

MR. TEPPER: Thank you, and I think I have two more questions, I know Deb and Kathryn. So Kathryn?

MS. PARK: All right, I have a suggestion actually more than a question, and then I had a question. I went on the -- before this meeting, I looked at the USPTO website about the attaché program. And there's very little information there really. There's a list of the places where there are attaches. There's frequently asked questions, how do I become an attaché essentially? But I do think in the interest of transparency, it would be wonderful if there was some sort of a report on an annual basis of what the attaché program has done. The

kinds of examples Dom that you gave would be helpful for the public to know and would help inform the public about the program and that it is there as a way to help people.

And it may be that I've just missed it. There are other places this is reported. But I think one of the reasons it was an issue for TPAC is that there was a fairly large number in the budget attributed to the trademark program for this -- for the attaché program that we didn't understand because it wasn't accessible to us. So that was really a suggestion and maybe if it's information you have somewhere else, it could be distilled in a form. And I don't expect performance metrics like we see from Judge Rogers' operation or from trademark operations. But some sort of annual report with a sense of what have been the priorities and what has been accomplished.

I have another -- my question is, when members of the public in whatever region come to the attaches for assistance, on what basis is the decision made to allocate resources? 'Cause I could imagine there could be situations where,

for example, in places I've worked like China where there could be numerous demands. And how then is a decision made that will help company A and not company B? And how is that explained to the people who are asking?

MS. PERLMUTTER: Yeah, I'll say a few words about the first and then turn to Dom for the second. So one of the reasons, the main reason the attaché program is expensive, is it's just expensive to send people to post. You know you have to build in travel and all of the complications of having someone abroad. So you're right, it is a big part of the budget.

I think it's a very good idea to have more of an annual report on the website. It's difficult -- we've gone back and forth with how you do this kind of reporting, and just to say one of the difficulties is, we don't want to have public announcements out there that say, we, the United States government are influencing these other governments and getting them to change their policies and do various things. Because that will then make it harder for them to be responsive to us. It will -- it would cause them

to lose face, and it would be difficult.

So there's kind of a sensitivity. And then sometimes of course individual companies don't necessarily want information about what they're -- so we have to do it at a fairly high level of generality. But I do think it's a good idea, and we need to think more about how to accomplish that. So I'll turn it over to Dom on the prioritization issue.

MR. KEATING: Thank you for your questions, and I will speak to the prioritization issue. So when an attaché receives a request and as you mentioned with respect to China, China is one of the few posts where this becomes extremely important because there are a plethora of requests. So what happens is the attaché talks with his or her country regional team and comes to an agreement. And oftentimes it does spill over into an interagency conversation if it's going to be a significant allocation of resources of what can be tackled and what cannot be tackled.

And I would say that most of the time, the overwhelming -- well, most of the time it doesn't even rise to that level and the attaché

just can simply address it. If it comes up at post, if a company is looking to understand the laws of Mexico, for example, the attaché will simply sit down and explain the laws and explain options that are available to the company. But if it's a bigger undertaking that involves significant work with the Chinese government, for example, then this becomes part of a USPTO dialogue and an interagency dialogue that will help to determine the allocation of resources.

And with respect to your first question, I would just note that we are involved in a comprehensive overhaul of the IP attaché pages on the website. And one of the things that we've been thinking about is having more stories about some of the things the IP attaches are doing. And Shira has correctly flagged that there are a lot of sensitivities out there. So I think what we'd do if we go that route, would be to be very sensitive in which stories we select. But it would give you more of a flavor for what they're doing on a regular basis. Thank you.

MR. TEPPER: Well, I do want to thank

everyone. I'm seeing a couple of more questions. Let me do this. It is uncharacteristic for us to be 20 minutes behind our agenda. And obviously this is a topic of great interest to our committee and I think to the community.

I think given the opportunity to speak with the two of you, if you're willing, we'll take just a couple of more questions. We'll take our break a little bit early, and we'll just try to sort of make up afterwards. So my apologies for sort of coming off topic, but on the other hand, I'm very glad that we have the chance to have this dialogue this morning. And I think I saw Ray back at the end of the table first and Jody and Deb has now reconsidered, given the way that I'm managing time this morning. So let's go in that order.

MR. THOMAS: Thank you Mr. Chairman. I promise to make it quick. First, Shira and Dom, thanks for your time as well as the valuable information that you provided today. When you were here two years ago, there was some discussion about expanding the program, and I think South Africa was mentioned. So my two-part question is, what are your plans to expand the program?

And then secondly, which factors do you consider when you're deciding which country or region to place IP attaches?

MR. KEATING: Thank you for your two-part question Ray. So in response to the first part of your question, our plans for expansion include Brussels, which Shira had mentioned. And we have actually made a selection for an attaché for Brussels, and we've extended a conditional offer of employment. But that candidate is undergoing a security clearance and a medical clearance. Assuming the candidate passes those clearances, then we would be in a position to make a formal offer. And should the candidate accept, then we would be in a position to announce the candidate.

Lima, we have an interagency process going on to create a new position there, which we believe is in the final stages. We have some other ones in the works --

MS. PERLMUTTER: That would be regional, right?

MR. KEATING: That would be regional for the Andean region. We have -- Ray, you've

mentioned South Africa. That one is still in the works. It's still in the middle of an interagency process. And what's held us up there is that there's no space in Pretoria right now at post. And there's a construction project underway to create a new USAID building, and we are promised to get the first office when that becomes available. So we still think it's going to take some time, but we are still looking towards that one.

And then we have one other one in the works that hasn't been announced yet. So maybe I won't announce it at this meeting. Thank you. And I think you had a -- the process for how to choose the locations. That is based on a number of factors, including the size of the market, the feedback that we've received from US stakeholders about the importance of the IP issues there. Our ability to work with the host government. Whether or not we have an existing relationship, a bilateral relationship on IP issues with that government. Sometimes we simply have to make a determination of whether it would be possible to create one. Or whether because of other

political circumstances, it just wouldn't be possible.

So those are three of the primary factors for determining which countries to choose and Shira may have some other comments.

MS. PERLMUTTER: Yeah, I was just going to add, that's an interagency process. I mean, we consult with state and USTR in particular in making that determination.

MR. THOMAS: Thank you very much and Dom, you're welcome for the seat.

MR. TEPPER: Jody?

MS. DRAKE: I've not -- no questions, just a comment actually. We certainly appreciated this data on the training and outreach tracking you've done. And 42 percent trademark activity, significantly under the 55 percent as you mentioned when this program began. And I think we all look forward to that continuing. Careful tracking, as careful as can be expected on the trademark activities carved out from the copyright and other activities, patent activities.

And if I understood, it looks like

you're going to be tracking the advocacy and direct assistance statistics then for next time. So I think we'll look forward to seeing all that. So thank you.

MR. TEPPER: Thank you and Deb, I think you'll get to close this out.

MS. HAMPTON: Thank you. I just have hopefully a quick question. In terms of the IP attaché program, I'm curious about the actual publicizing of the program to stakeholders, and particularly the public. And, for example, you mentioned that the attaches come back every year for a week, and they meet with various stakeholders. How is that information about the meetings, about them being able -- I mean, about the public being able to meet with them or stakeholders meeting with the attaches, how is that information essentially gotten out to the public? And when I talk about the public, I'm not necessarily referencing the bar because I know that your program reaches into -- and the various different bars. But I'm curious I guess about the greater public that's not necessarily always a part of the bar.

MR. KEATING: That is a good question. As I mentioned, we're trying to enhance the internet, the web pages on the internet so that there'll be more there for the public to see. We've also developed some additional materials, a one pager that can be emailed around electronically, and it would have a link that could be used to access the website. We've developed a brochure also that can be distributed to the public, to help the public to get a better understanding of what the IP attaché program is about and also to refer them to the website for additional information.

So it's certainly something that's on our mind, and we would like to engage the public. We've started to reach out to a broader group of stakeholders. When the attaches are in town, our consultations have included entities such as the Internet Association and others that have sort of broader perspectives on IP issues. So we are -- and we have met with some universities in the past as well. In fact this December, one of the things that we're going to try, that we proposed and that the proposal is still pending

within commerce, but we proposed that we bring the attaches to California, to the Silicon Valley, well, San Jose and San Francisco for two days to introduce them to stakeholders out there.

This would include time at some universities and meeting with a wide range of stakeholder in California to help to get the word out beyond the beltway and to reach a broader group of stakeholders. And if you have any suggestions, we're happy to listen to them. Thank you.

MS. HAMPTON: Sure. One quick follow-up question. In terms of the meetings in December, are you at liberty to say the exact dates of what those meetings are going to be? And are you able to list all the locations?

MR. KEATING: Yes, thank you. So the proposed dates of the December consultations are the week of December 15th in Washington. And most of the meetings happen at USPTO headquarters, but if you're interested, if you let us know, we can send you an agenda when it's been finalized and that will explain which meetings are open to the public and which ones are

perhaps US government only or closed with other particular stakeholders. So that would be a good starting point, and also we've proposed the 11th in San Francisco and the 12th in San Jose. And that's all subject to approval. Thank you.

MR. TEPPER: All right. Thanks to both of you. Obviously we appreciate this is a growing program, and as you grow, of course sort of building out the structure is an important step. We appreciate the information you've shared with us today. We appreciate the steps you're taking to try to help us understand sort of the cost structure and how we can best help to support and inform the program. And I also do want to make sure that the community is aware of this resource.

We look forward to continuing our dialogue with you, and if that post in Brazil ever comes back open, if you get a change over, I'd certainly be happy to talk further. But that being said, I think this is historic for me. We have always prided ourselves on being right on time. This was an important discussion. We are going to go ahead and take our break at this point.

We'll take about a 15 minute break. And when we return, we will be proceeding at a brisk pace. So thanks to all. Oh, and TPAC members, I need for you to stick around for just a minute at the break and to come join me up here.

(Recess)

MR. TEPPER: Back, if we could get everyone to their seats please. All right, thank you all. I think it's an encouraging thing to see. I know everybody enjoys the break the most of all. So we had some good music and some good conversation. I do want to apologize for our sort of being a little bit off of time today. We'll do our best to catch up, but on the other hand, we will also take all the time we need because there's some very important information to come through.

I'd like to thank Commissioner Cohn for being flexible and agreeing to wait till after the break to provide us with Trademark Operations update. Once again, I think that if you have not seen one of these, you will be amazed at the number of things that are monitored and tracked and addressed when it comes to trademarks. I will

repeat my offer to all members of TPAC and all members of the public. I've not had to pay this out yet, but I'll be glad to give you a prize if you can find a question that Debbie does not have an answer for. This is your last chance, so I suppose this is -- (laughter) it needs to be a question related to the material, to Trademark Operations at least. But thank you Debbie.

MS. COHN: Thanks Maury and thanks for that great challenge. So I'm going to start as I usually do with a report out on our performance metrics and results. And I hope everyone can see what's up on the screen, and if not, it's in your materials. I'm going to go through this pretty quickly.

And this of course is a very special report because it's the end of fiscal year 2014, and I am very pleased to say that the Trademark organization has met and exceeded each one of its goals for fiscal year 2014. And that is no small effort. That is the result of a lot of hard work by the entire Trademark team, the examining attorneys, the managers, all of our service units, our post- registration, our intent to use

unit, our Madrid processing unit, our Trademark Assistant Center. Everybody works together to make sure that the office meets its goals and that the public and Trademark owners are served in the very best possible way.

So with that, let me -- and I do want to thank them publicly for their work this year and in past years. So this -- going first to quality, we have our two quality metrics that measure legal compliance, the first office action and the final compliance. And you can see we exceeded our targets there. That of course measures the decision making by the examining attorney in terms of whether the mark should have been refused or was properly approved for publication.

Then the next quality metric is our exceptional office action metric, and that also measures the legal decision making. But it includes much more than that. It includes the search strategy, the communication by the examining attorney, the quality and appropriateness of the evidence attached to the office action. And this is a very important

metric because it really focuses on the entire office action. And it focuses on the first office action. So we want quality upfront and we measure it that way.

And as you can see, we exceeded our target, which was 28 percent for the fiscal year. We are now at -- we ended with 43 percent compliance, with all of the metrics. So in order to be in this category, the office action has to be excellent in all of the areas that I just described.

Moving down to E-government, we're at 80.7 percent compliance, and that number means that 80.7 percent of all of our applications were processed completely electronically from beginning to end. Not just filed electronically, but there was no paper communication from the applicant or from the office during the process. And that's a pretty high number when you consider what it signifies.

We have improved over the years, and the way we've improved is by reaching out to users, to the public and to stakeholders, to find out what we could do better to make sure our

electronic systems are used more frequently. This year we did something I thought that was very special. Our deputy commissioner for Trademark Operations, Mary Dennison, actually reached out to paper filers, some of our larger paper filers. She reached out to them directly and asked them why they were not filling electronically and what we could do to help them get on the bandwagon. And that's a good approach. That's a direct approach, and let me say that we were able to do that because we know who files electronically and who doesn't.

So if you got a call from Mary Dennison and you're sitting in this room, I hope that you had a good conversation and that you're going to be filling electronically. So that was a great effort. And so we do anticipate, and I'm going to talk about our new reduced fees in a moment, and that's another way we plan to move the -- to move that number for electronic processing up a little further.

Not sure how far we can go. I don't expect we'll ever get to 100 percent, but unless we had mandatory compliance or mandatory

electronic filing, I'm not sure that that's in the future. But we're hoping to get as close as possible.

Moving down now, I am going to move down now to application filings. And as you can see, take a look at our results for fiscal year 2014. Four hundred and fifty-five thousand and seventeen classes. So this -- our prediction was 455,000. I think we'll all agree this is a pretty amazing crystal ball we've got. Our budget office, headed by Karen Strohecker, has done a terrific job of making these predictions that allow us to allocate appropriate resources to trademark processing and examination, so that we can successfully meet our goals. It all works hand in hand. Karen and Nabil Chbouki have done just a marvellous job in this regard. And this year is really no exception.

This is probably the third or fourth year in a row that we've done such terrific predicting. And I don't want to put any pressure on them, but we are expecting that for next year as well. That's okay. But the good news for all of you, in addition to our successful prediction,

is that we had an increase of almost five percent in application filings from last year to this year. We're expecting about another five percent increase for next year. So hopefully that will be right on track as well.

I'm going to move now, in the interests of time, to pendency. And you can of course look at the other metrics that you have in your materials, and I'd be happy to take questions on them. But let me talk about pendency to first action. We ended the year at three months even. Exactly where we wanted to be in our target range of 2.5 to 3.5 months. For disposal pendency, we have two ways of measuring. One includes the suspended and interparty's cases that were resolved. And for that metric we were at 11.3 months total disposal pendency to registration, abandonment or notice of allowance.

And then if you take out those suspended and interparty's cases, we were down below 10 months average total pendency to registration. So that's also a great result. And then the last metric, I'm just going to say efficiency, we don't have, just to point out, we don't have a final

result for that for the fiscal year yet. But we are expecting to come in, I want to say below target, but that's a good -- and that's a good thing. That means we're spending less money per disposal than we had predicted.

So let me pause for a moment and see if anybody has any questions about the performance metrics and the data that I've just talked about.

MR. TEPPER: Do we have questions for Debbie at this point? I have only a comment. If you've got the right sheriff, things go well in the town. And this is -- I think we've all become a little bit too accustomed to this, but if you step back and consider how amazing it is, we've had yet another year of, we've exceeded and met all of our metrics. That takes a lot of hard work. So I want to thank all of the examiners who I get to talk with on the phone throughout the year, the instrument examiners. Everyone who is sort of pulling together. When you look at it at this high level, we can almost become used to and we have come to expect that well, of course we're going to hit our targets because we're Trademarks. But that's really an incredible

accomplishment, and I think we should all stop and just give our thanks for such good work here at the office year in and year out.

I've heard Trademarks described as the little engine that could. We're not so little, but I think Trademarks definitely can.

MS. COHN: Thanks. Thank you Maury. So let me move on and talk for a moment about our upcoming application and maintenance fee reduction. Sometime in January we expect to implement a fee reduction, and I'm sure most of you already know about it. Just to reiterate, we are creating another level, a discount in effect, for our TEAS, our regular TEAS filings, if the applicant commits to electronic communication.

So going along the lines of what I just spoke about, with increasing our electronic processing, because it's more efficient. It's more efficient for applicants, but it's also more efficient for the office. And it's cheaper, and it just -- it is the way to go. And we want to do whatever we can to encourage that. And so we're going to be offering, or giving, a \$50 reduction on the regular TEAS form, if the

applicant commits to electronic filing.

So for many of you, you won't have to change anything. You'll just be checking off that box to commit to electronic filling, which you already do and you'll be getting a \$50 reduction. Now if you file under our TEAS Plus option, you'll also get an additional \$50 reduction, and that fee will go down to \$225. So it's going to be very cost effective to file using TEAS Plus. We recognize of course that TEAS Plus does have its limitations sometimes and particularly with respect to the identification of goods and services. And for that reason we've created that secondary discount for the regular TEAS. And we're calling that TEAS Reduced Fee or TEASRF. So again, that will be 275. TEAS Plus will be 225.

Paper filing will not change, and the Madrid filings -- Madrid applications will not change. Now for renewals, the renewal fee will go from \$400 per class to \$300 per class for electronic filling. So that's a huge discount, and we're hoping that all of this improves efficiency for us and for our customers and as I

said, furthers our strategic objectives with respect to electronic filing.

The timeline, so early in November we'll be issuing the final rule, and I think -- and we have published requests for comments. We had a notice of proposed rule making. All of that has produced very positive reactions from the public. We are issuing our final rule in early November, and at that point, we will announce the actual implementation date. As I said, we expect it to be in January 2015. So you can look forward to that. Any questions on the fee reduction?

Okay, so next item I wanted to mention is our TMEP updates. I know that's on the agenda. We do plan to issue our updated TMEP at the end of October to the public. And not too much going on there. Some updates. Most significantly it'll incorporate two recent exam guides, the one on geographic certification marks and the one service mark specimens. There'll be a few other items in there, dealing with recognition as a representative, amendment to the supplemental register in the alternative and some items dealing with use in commerce. So take a look at

the end of November at the next TMEP.

Moving now towards Trademark Next Generation updates. As you know, Trademark's Next Generation is a huge project, TMNG, that we've had ongoing. And we are addressing both our internal and our external systems at the same time. So we're -- we've got a lot of moving parts in TMNG. Right now our biggest project is our efforts to revamp our examining attorney process. So our internal examination process. We call that FAST. And I won't even go into what the acronym is for, but it's called FAST.

And it's a huge project as you can imagine. We've had some delays along the way, which is normal for huge projects. But at this point we expect to complete development, and you'll be hearing more about this later during the OCIO presentation, we do expect to complete development during fiscal year 2015. Probably in the middle of that fiscal year, around the March timeframe. And again, you'll be hearing more about that from Raj Dolas.

Now one of our external projects that we're working on right now is our Next Generation

Identification of Goods and Services manual. And this is something that we're going to be deploying in beta form, and you'll be hearing more about that during the OCIO presentation as well. And in fact, I'm going to look at Jennifer Chicoski right now and let her nod her head, we're going to be getting a demo of it, right Jen?

Okay, so we're going to be getting a demo of the new TMID manual, and I won't jump the gun. I'll let Jennifer describe all the new features that you'll be seeing in that. But there is some good ones.

Another external TMNG project for this year is issuing reminder notices for post-registration filings. And that's expected to go into effect in January 2015 as well. So there'll be a notice posted that will give users the opportunity to update their email addresses or to remove email addresses in some cases, for registrations. And once this goes into effect, which again, should be January, we will be sending out reminder notices on the first day of the Section 8 period and the first day of the renewal period, Section 9.

So if you happen to be in the middle of that period, you won't get a reminder notice when this goes into effect. So it's not reaching back. It's not retroactive. But it's just for those registrations that reach that first day of the Section 8 or renewal period. And you must have authorized email communication, another reason to do it in the application. So you'll have the opportunity to update, and as I said, remove if you had represented an applicant and no longer represent that applicant, you can remove your name and your email address.

So that's what's upcoming on our plates for TMNG. I wanted to turn to some of our policy projects. One of them is our specimen pilot, the results of our specimen pilot, which many of you are aware. We've had this two year pilot going on which is at completion now. I think all the results are in or just about in. We have posted a preliminary report on our website, and this was to assess the accuracy of the Use based register. The results were a little surprising to us, and I think many of you know what the preliminary results are. And they are that more than 50

percent of those who were participating in the pilot, and it was not a voluntary pilot, more than 50 percent were not able to show use on the additional goods or services that were requested.

And so our next step is, what do we do with the result, and how do we move forward? We have scheduled a roundtable to discuss the results, to talk about next steps and to hear input from stakeholders and from the public. And that will be on December 12th. A notice will be published on our website. We do plan on web casting the roundtable. We will have user group representatives there, but we will also hear from members of the public that would like to be there and members of the public will have the opportunity to speak during the roundtable. So look forward to that. I hope that you put that on your calendars and look at our website for more information on that.

The other policy initiative that's been going on has to do with the amendment of identification of goods or services at the post-registration stage, due to evolution in technology. So I know we've talked about that in

this forum before, and the classic example that we use and I use is the registrant who had a registration, maybe it's 20 years old, for 8-track tapes. It's coming up for renewal. They're no longer using it on 8-track tapes for music, but now they're using it on DVDs, musical DVDs. And the question is, under what circumstances will we allow a change in substitution, rather than requiring that they file a new -- that they abandon or cancel their registration and file a new application?

And we have -- I'm not going to go through all the details, but we have posted a proposal on the website. And the comment period is open until November 3rd. We're really looking forward to getting comments on this. There was a lot of discussion about this issue. We hosted a roundtable in April to talk about it, and there were some, I think, pretty radical ideas. What we ended up proposing is something very, very conservative, very limited, but I think takes an extra step forward to address certain circumstances where we think everybody agrees that allowing that substitution would be

appropriate.

So please take a look at that proposal. Submit your comments if you have any, and the PTO will take the next step, probably a few months down the road. And we will have some more discussion about it.

My next item was going to be talking about our Trademark Expo and some of our other outreach initiatives. As you know, we have a two-pronged outreach approach. One is our Trademark Educational Program going out to the public, to entrepreneurs, to businesses, to attorneys. People who are not familiar with trademarks. Often small businesses need to have trademark information, but they don't even know that they need it. And so that's the purpose of our program.

This year we have reached out to more than 40 different organizations across the country. It's part of our strategic plan. We expect to do more in the coming year, at least as many. Our outreach manager, Craig Morris, has been travelling a lot across the country and has gotten some great reviews on his programs. And

it's just amazing. People don't know about trademark protection. They need to know. They need to know when they might need to talk to an attorney, before they start their marketing campaigns, before they adopt their mark.

So Craig has been doing that with a lot of success, and his personal goal is to visit all 17 states that he hasn't visited this year in the upcoming year. So Craig will have hit the 50 mark at some point during fiscal year 2015. And he's got a lot of things on his plate and a lot of things coming up.

The other prong to our approach of course is our stakeholder outreach, and to that end we've been doing a lot of the INTA, USPTO roundtables. We had a very successful program with the ABA here a few weeks ago, just giving lots of information to attorneys and the public about the application process. Sort of the nuts and bolts in the office about how to go through the registration process and some of the issues that you encounter along the way.

So lots of stakeholder outreach and I know that that's going to continue in full force

in the next fiscal year. Again, that is part of our strategic plan, and we plan on having, I think the number is 40 on that as well. So we'll be moving forward on that.

One area I'd like to point out is our increase in our international outreach, and that's done primarily through the TM Five forum. TM Five is a partnership between the United States, the European Union, China, Japan and Korea. We met -- where did we meet last year? In Korea, thank you Mary. We met in Korea, in Seoul last year. We had a very successful meeting in the sense that we're cooperating on a number of different projects. Now you know that trademark law differs throughout the world obviously. But there are areas that we can harmonize and collaborate on. One area is something that the US is heading up, and that's creating the TM Five ID list. And we've invited other countries to participate, and the result will be a harmonized ID list. Not harmonized in terms of acceptability, but harmonized in terms of one source that applicants can look at to see where an ID might be acceptable in all different -- all

countries, all partners. And so it will be more of a one stop for the public, and we think that's a good thing.

We have a few other projects going on. I do want to mention the TM Five website. So that's your takeaway. To get on the TM Five website and take a look. TM Five, the word "Five" is spelled out. So TM F-i-v-e.org. And we tried to get TM number 5, but that was already taken. So we did our due diligence, so it's TMFive.org. So please take a look. You'll find information on all of our different projects there and lots of other information about the partnership itself.

Expo, so while we were sitting here this morning, a lot has been happening upstairs. When we're finished with this meeting, those of you who have a few extra minutes should go upstairs to the first floor and take a look at the exhibits that are being set up, the information that's across the ceilings, on banners and really there's a lot going on, on Trademark Expo. Lots of information, whether it's about anti-counterfeiting efforts, about generic trademarks, about the trademark process itself,

about sound marks and other non-traditional marks. There's a lot to learn, and for those of you in the area, please -- or stay in the area if you're not in the area, please bring your families. It's very -- it's for all ages. So it has something for everybody, and we all need to know more about trademarks, even those of us in this room. So it's always a good experience to go to Trademark Expo.

And I know nobody in this room is working on Trademark Expo, because they're all busy upstairs. But I do want to thank them for all of their great efforts. It's going to be a super event, and I'm looking forward to it. The opening ceremonies are tomorrow at ten o'clock. Michelle Lee will be speaking along with other people including, those of you who watched Happy Days in your youth, Anson Williams who was Patsie will be one of our speakers for the opening ceremony. So if that's not an enticement to join us, I don't know what is.

And with that, I think I'm going to end my time with a huge thank you to Maury and the rest of TPAC for all of your wonderful work over the

years.

MR. TEPPER: Well, thank you Debbie. We can't let you off without questions though. But I do appreciate there was a lot of information that you all just received and in a very compressed timeframe. We are grateful. Do we have questions for Commissioner Cohn? Yes Deb?

MS. HAMPTON: I have more of a comment than a question. When you were talking about TM Five, thanks to Mary Dennison, I learned something recently. In the ID goods and services, there's a T in one of the columns, and I never knew what the T stood for. And I learned through Mary that the T stands for that particular good or service, has been -- it's part of the TM Five and it's part of the harmonization of the goods and services. So that's my tip, and now I know what the T stands for. Thank you.

MS. COHN: Great. Thanks Deb.

MR. TEPPER: We'll put that one to good work. Do we have other questions, comments, yes?

MR. FRIEDMAN: Three-pronged comment. One, I wanted to use just an opportunity to thank and acknowledge our examining attorneys for the

great work they do, all the work they do at a high quality level, in a high paced environment, while being responsive to the customers too. Same plaudits to our interlocutory attorneys who, not to steal any thunder from Gerry, but with Gerry, his crew and our interlocutory attorneys and of course the judge doing yeoman's work this year, and I want to congratulate them.

And then three, there have been many reasons why many people involved and why this agency is the number one place to work and improving employee relations and improving labor relations. But one of the key persons responsible for all of that is our commissioner Debbie Cohn. And she's really done an unbelievable job of enabling and engaging our employees and doing it in innovative ways.

Many people may not know or may not remember that the person most -- the management person most responsible for starting what is now the best telework program in the federal government, was Debbie. And that program continues to be the best program in the federal government. And being a commissioner is

extraordinary difficult job. You have to deal with a lot of people, people on the Hill, OPM, OMB. Most difficult, you have to deal with unions. (laughter) Particularly the other unions and occasionally with our union.

But whether we're dealing with the unions, the Hill, OPM, political appointees who often don't stay very long, which makes a commissioner's job, whether on the trademark or patent side, difficult. She always handled them adroitly and usually with a smile. And so we very much appreciate all the good work that Debbie did. We hope she has as much fun in her next professional or personal career, and we wish her the best on behalf of all examining attorneys and interlocutory attorneys.

MS. COHN: Thank you Howard.

MR. TEPPER: Howard, I could not say it better. I'm simply going to say, I believe that we are all in complete agreement and thank you. This has been a pleasure for us to come and work, and we deeply appreciate what you have done for this place Debbie. I will move us forward I think again. More of the same. We just keep on

exceeding and meeting our expectations and targets and increasing them, and we look forward to seeing where we'll go next year.

I know that there obviously will be challenges we can't anticipate, like there always are. And it's just good to know that there are so many good folks pulling together and working here.

I want to thank Tony Scardino for being flexible. Those of you who watch these meetings closely know Tony is usually our second up in the line-up in the morning. Tony was out riding the range. He had other herds to rustle this morning. He's representing the office in other places, but I'm glad he was able to get over here and bring us an update.

Now I will mention, most of us regular people are enjoying the fall of 2014 and we're getting ready for Halloween and Thanksgiving and all of the 2014 holidays. Tony, on the other hand, is already two weeks into fiscal year 2015. So that's just how far ahead he is, and we appreciate the update today.

MR. SCARDINO: Thank you Maury. A

pleasure to be here as always. I want to kind of start out with kind of a reflection of where we were a year ago today. If you think about it, we had the partial government shutdown, which went to October 17th. I think today's the 16th. So it just gives you some idea of how far we've come in a year because '14 was a great year for us. We really didn't miss a beat in terms of fee collections. Last year at this time what we were doing was we were using part of our operating reserve to get us through the first 17 days of the fiscal year. And then, with all the fees we collected during the government shutdown then we replenished the operating reserve because we were able to then -- we had a valid appropriation starting on the 17th of October.

So as the chart here shows, we actually collected fees above our appropriated amount. It was above the '13 level. A little bit -- slightly below our working estimate. It was a great year, and we're going to talk fees a little more specifically in a couple of slides. But what happened as a result of these fee collections, for the first time ever, we're actually -- the chart's

a little off. We've finalized our numbers for fiscal year '14, and the amount that will be deposited for the first time ever into the patent and trademark fee reserve fund, is about \$149 million.

So you'll recall AIA created this patent reserve -- or fee reserve fund. Money is available only to us. We will now submit what's called a reprogramming notification to Congress. Fifteen days later the money will be transferred into our operating accounts. So that becomes part of our operating reserve. You see the available to date resources, \$649 million. Again, that'll go up slightly, now that we have final numbers. But that's a healthy reserve on both the patent side and the trademark side \$155 or so million almost on the trademark side.

So all is good on that side. Where did we collect our fees in '14? Here's a breakout of the major fee categories, and I know you're all familiar with, but we don't usually give you this type of information. We hope it's helpful, just to give you a little snapshot. And one of the areas we're even going to dive a little bit deeper

into are the fees related to maintaining exclusive rights. This gives you some idea of the different categories of how we get to those fee collections.

We can do this at any point in time for the committee. Give you all kinds of information on what we collected, what we think we're going to collect. For this example, we believe we're going to see a slight decline, actually 28 percent in '15 and then a rebound in '16 because of the 10 year maintaining. We can estimate or project on where trademark holders, whether they'll be paying in '15 or not.

So we've got all kinds of data and all kinds of information like this. And our goal is to give you information, right. Data in and of itself isn't meaningful. We want to turn it into information for you. So if you ever have any needs, wants, please let us know.

Fiscal year 2015, as Maury mentioned, we're two weeks in and we're actually on a continuing resolution till December 11th. And after the election, Congress will decide whether they'll pass appropriations bills by the 11th or

whether they'll extend the continuing resolution. I mean, who knows? They may go with a full year CR. We really don't know what's going to happen. But thankfully with the operating reserve that you saw, we can pretty much weather whatever happens. We'll be in great shape. We won't have any impact to operations in fiscal year 2015.

For '16, fiscal year 2016, which doesn't start until next October, we've submitted a budget to OMB, the Office of Management and Budget, after TPAC had reviewed it. And we expect what's called pass back early in December, which is usually when the White House, the administration tells the agencies what will be included as part of the president's budget to Congress on the first Monday in February.

So once we get that pass back, we'll be in touch. We will be modifying our budget submission if necessary, and we'll give you another crack at reviewing it probably in early January. And then we'll submit it in early February.

And that's all I've got for my prepared

remarks, but I'm happy to answer any questions.

MR. TEPPER: Thank you. Do we have questions for Tony today? That is quite a size, isn't it? Tony, I do want to pause and thank you as well. The offer for information, the CFO's office has been tremendously helpful to TPAC and those of us who come in from outside not necessarily understanding accounting and finance. Being able to look not just at numbers, but to help get some context and to understand those. We have and we may do this again at some point, had a presentation just on the ways in which they gather and track and allocate cost. They go to an extraordinary amount of effort to make sure that the office here, but also those of us who are trying to come help with the advisory committees, have access to very good information. And it makes a big difference.

I also admire anyone who can do financial planning in the context of government life. So we are grateful at the moment that we have access to an operating reserve that provides some stability. We continue to be frustrated from time to time. For example, operating under

a continuing resolution at this particular point, it is just a reality. But thank you all for the presentations you've given us.

MR. SCARDINO: Thank you. One last thing. Is this the last TPAC meeting of the calendar year?

MR. TEPPER: It is.

MR. SCARDINO: It is, correct right? So while I don't want to say good-bye yet because it's too early, this is my last chance to formally, on the record, say that it's been a pleasure to work with Debbie. When I got here a little more than four years ago, you always hope that you're going to work with competent colleagues, and I got that for sure. But I also got someone just really wonderful to work with. So we will miss you greatly Debbie, but remain friends for life.

MR. TEPPER: Thank you. I'm going to, before I get choked up, I'm going to keep moving forward. Yeah, we'll see how we manage the end of this meeting. Chief Judge Rogers is with us today, and I want to also thank him. I'm looking forward to the TTAB updates now and particularly

appreciate how easy it has become to follow them. We have some metrics and goals. So we can all keep up.

But I especially am grateful, Gerry is very efficient in his planning. He chose to have a cold on Monday while it was a holiday in order not to miss any work or meetings. And he has battled off illness. Now he is asymptomatic. I'll indicate this. We don't need any protective gear or clothing, so everyone in this room is perfectly safe I could assure you. But Gerry, thank you for being with us today.

MR. ROGERS: I'll try not to attribute this to TPAC meetings. I know two years I coughed through the Columbus Day meeting. I could barely get through it. I guess it's just coincidence that it happens. But I'm happy to be here Maury with good news for all of our performance measures. And as Debbie said about the Trademark operations, I really have everyone at the board to thank for the good work that they've done this year. The customer service reps, known as the information specialists and the paralegals, the attorneys, the judges, everybody, the management

team, everybody pulled their weight this year, and we were able to hit all our pendency numbers and inventory control numbers.

As we've discussed in the past, we were kind of shifting from previous years where we were working on reducing backlogs and getting control of inventory to maintenance mode this year. And so it was very heartening to find that we could actually maintain everything that we needed to maintain for the whole year and we hope for years to come.

And one of the reasons I think we've been able to do that is we've also had great support from Debbie and the Trademark operations. We've had a great working relationship for a number of years now, and we've gotten great collaborative support on operations and IT issues and management consulting and anything that Trademark was able to offer us to help us reach the point where we are today, has been willingly received and gratefully appreciated. We thank Debbie and all of her management team for all of their support of our operations.

So the first note on this slide relates

to staffing levels. And so I'll cover that more generally and not just the judges and the attorney levels. But the most significant staffing issues are that since the last meeting, we've hired a new administrative officer, Karen Smith, who replaced the retiring Debbie Decker. We have a new deputy chief judge, Susan Richey, who is here today. And we've also recently hired another administrative Trademark judge promoting one of our interlocutory attorneys, Cheryl Goodman, to the position of judge.

We will of course then backfill Cheryl's position and hire an attorney. And looking forward to this fiscal year, we have the FTEs in place that if we need additional staffing enhancements, if we need to additional attorneys or judges, we'll be able to do that. So we're cognisant of the fact that Trademark has been seeing application filing increases for a number of years. And inevitably that will result in more work for the board, which you can see on the second line on this slide. Because you can see that our filing levels increased this year in appeals, extensions of time to oppose, notices of

opposition and petitions to cancel.

So we're very cognisant of the filing levels and we're monitoring them closely. And with the FTEs that we have available, we can adjust staffing as necessary for the work that will come out of these new filings that are coming in the front door.

Moving on to pendency. Total pendency was a great success this year. This is really the third year running that we have had reductions in total pendency, commencement to completion pendency or end-to-end pendency as we sometimes refer to it in appeals and trial cases. So that's, again, a treat testament to the efficiency with which the paralegals, attorneys and judges are all handling their various components of the overall process. So that these overall measures can be reduced.

And significantly, I added to this slide here, not just the pendency numbers, but on the far left as you look at the slide, the number of individual appeal cases, trial cases and particularly ACR trial cases that were resolved this year. And very significantly, 21 cases, 21

trial cases, or about 1 in 6 of all of our trial cases were resolved following the party's use of some form of accelerated case resolution.

That's more than double any previous high year where we might have had nine cases that involved some form of ACR.

So we consider this a great testament to the willingness of practitioners and Trademark counsel to adapt and to embrace new processes that we've been offering at the board. And also a great testament to the interlocutory attorneys who've done a very good job selling the option to parties when they're involved in proceedings. Because they've frequently had conferences with parties to sell them on the idea of ACR, and whenever a motion for summary judgement is denied and about 75 percent of the time a motion for summary judgement is going to be denied, statistically speaking, there's a pitch included that the parties should consider ACR rather than a traditional trial. And so I guess we've done a good job selling it, and there's been a good response to that selling job.

Looking at some -- the other two

pendency measures on this slide, these focus more on just discreet aspects of the overall process, not the end-to-end. But the first one is the measure of what the judges are doing. And the pendency target for the year in terms of the judge's turnaround time from when cases were ready for decision was 10 to 12 weeks. And they bettered that by reaching 9.2 weeks for the year. So we're very proud of the work that the judges were able to do. And that's six straight quarters now that they've met the 10 to 12 week target.

In regard to the contested motions, we really challenged the attorneys to step up and get a hold on the contested motions, and they did a great job this year. The goal of eight to nine weeks turnaround time is a pretty tight window there. There's not a lot of leeway for them to get contested motions resolved and handled. And they came in at nine weeks at the end of the year. So they were very successful in doing that.

We also had a stretch or a reach goal for the attorneys whereby we wanted them to have no contested motion older than 12 weeks pending

at the end of the fiscal year. And again, they reached that. We were under 12 weeks with our oldest motion. And I think in total we probably had no more than about 10 contested motions that were over 10 weeks old. So the motion, contested motion practice figures are also just in great shape.

On the next slide here, the production numbers kind of speak for themselves. The productivity of cases decided on the merits went down this year. But that was expected because we had really focused on working off a backlog of ex parte appeals and FY13. And once we did that, as I said earlier, we shifted into this maintenance mode. And so we didn't really want to produce any more than about what we did for the year. So the production drop was acceptable and anticipated and left us where we needed to be.

Presidential decisions, we, again, hit the target. The target was 40 to 45 presidential decisions, and we hit 45 by the end of the year, including a number of noteworthy presidential decisions. You might have read about some in the paper. Contested motions, again, the processing

was up to help us reach that goal of reducing pendency and getting the inventory where we needed it to be. And the uncontested and consented filings that are processed either automatically by ESSTA or by the paralegal staff and others, was also up this year.

So everyone was doing a great job pitching in. While everything was increasing, we were able to keep inventory steady. So that leaves us at the end of the year with inventory of cases ready for final decision of 105, which is below our target inventory of 115 to 135. So we're very pleased with that. Cases with contested motions, the inventory at 135 and the target was between 130 and 160. So we were able to end the year where we expected to be, where we wanted to be with contested motions.

And our one lone spot which we need to focus on a little bit here is our calling system. And so we'll be working with the supervisor of the information specialist to figure out how we can just be a little bit more responsive to some of the phone calls a little more quickly. That was our one lone spot where we just didn't hit a

target. Any questions on any of the numbers before I move on to other issues?

MR. TEPPER: Yes, Bill I think we have --

MR. BARBER: Really just a comment, not a question. I just really want to commend you, all of the judges, all of the attorneys, all of the paralegals and your staff for just a tremendously successful year. And as a lawyer that represents clients that use your services a lot, it's just extremely helpful, reassuring and inspires confidence in your system. The numbers, all these numbers are wonderful, but the ones that I think are really significant for users are the numbers on pendency to get decisions out, decisions -- final decisions and on contested motions within 9 weeks and have the oldest contested motion be less than 12 weeks is fantastic. And if gives an air of predictability that we can pass on to our clients, and I think that will inspire even further, greater use of the TTAB to resolve trademark disputes.

And the last thing I'll say is, I wish that some of the federal courts around the country

would take note of what you're doing here. And perhaps you could give a clinic to federal courts and judges on how to get out decisions promptly. Thank you.

MR. ROGERS: Thank you Bill. I'm not going to be so presumptive to try and tell federal judges what to do. Usually it's the other way around. They'll tell us what we got wrong. But I appreciate the comment. Let me also just quickly run through a couple of other issues relating to the board and its operations and some outreach efforts.

As many of you know, we've been working in recent years to get the Trademark Trial and Appeal Board Manual of Procedure into the RDMS system, like the TMEP. It is in the system. It is in RDMS. It is being beta tested as we speak by internal TTAB users, and you may see it on your desktop within the next two to four weeks yourself. We hope to be able to release it for external use within that time. So you'll have a much more searchable version of the TBMP available to you very soon. And Cheryl Butler, is that time frame correct? Yeah, so I thank

Cheryl Butler for all her hard work on that. She of course has done a great job getting the manual revised on time for three years running now, three annual revisions. And in addition, getting it into the RDMS system to facilitate future revisions.

Another thing that she's worked on with managing attorney Ken Solomon and some of the others on the staff, was a recent update of our frequently asked questions on our website. So if any of you have had a chance to look at those or refer your clients to those for information on board practice, I hope that those updated FAQs have been useful to you.

We also are embarking starting next week on a significant quality initiative with our paralegals. We have a full scale curriculum of classes on the IP system, on trademarks, on individual aspects of motion practice. That will be kicked off this quarter with five classes, and our new Deputy Susan Richey will be kicking that effort off next week with the initial class on an overview of the IP system. Again, we'll be collaborating with Trademarks on some of these

classes, and we've been working with the TQR team, which will be coming in and teaching some classes to the paralegals on application review substantively and application review procedurally and for technical issues. And we will continue that session of classes with the paralegal throughout the spring and into the third quarter next year, to really ramp up their understanding of the Trademark operations and the board's role within the PTO and the board's role within the larger IP system. And that hopefully will ensure continuing quality from the paralegals.

We will be scheduling a February roundtable to have further discussion with stakeholders, again, on a lot of these issues that we've been working through in recent years, overall pendency in both appeals and trial cases, to preview possible rule making that has been on our unified agenda on the Department of Commerce's unified agenda, which lists all possible rule making that the PTO might engage in. And that's been on the agenda for a number of years. And of course with our previous

roundtables, we've been gathering input and suggestions.

And so we want to be able in February to begin previewing some of the things that we expect to be able to do. And we also will be looking at those 21 ACR cases that we had this year and the ones that preceded them. Really kind of mining them for data that we'll be able to then talk about with stakeholders and figure out how to leverage all that information into more efficient overall processes for everyone involved.

We've also had a lot of participation in outreach programs, both here on campus and outside the PTO. We participated with Trademarks in the ABA IP program, scheduling arguments for an opposition proceeding as part of that program and making various other presentations. And these hearings that we've been willing to do both on campus and in other forums, have been very popular in terms of exposing practitioners and others to the way the board's hearings are run and conducted and the things that judges are interested in discussing

with parties when they schedule an oral hearing before the board.

So this year alone we've had a hearing at the Fordham Law School IP Conference. We had the ABA one here on campus. We had another one co-sponsored with the Boston Patent Law Association and Northeastern University Law School. That was an interesting program that involved both the Patent Board and the Trademark Board. We had a day long program where both boards heard arguments in their respective trial cases. And there were other presentations about practice.

And of course we'll be participating -- continuing to participate in other programs. And we frequently have requests from Shira and her shop to have judges or attorneys be available when we have visiting judges from other countries who want to hear about board operations. And so we've regularly provided speakers to speak to those visitors.

So I know we've run over today, and I'll cut it there, unless there are any other questions.

MR. TEPPER: Thank you very much Gerry. Do we have questions for Chief Judge Rogers? Well, I'm particularly keen -- 21 may seem like a small overall number, but compared to our historic, I believe it's usually 3 or 4, very pleased to see the increased interest in and the update in ACR. I encourage everyone to continue to explore this, to work with the board. They've done a great job being open and flexible and trying to find ways. And I think at this point it's up to us to try to step up and work on this.

And again, we thank you for all of the great results and performance and appreciate that. All right, and since we started you late, I think you've helped us to actually gain up on some time. So we appreciate that. We have come to the back of the wagon train, and I apologize for it sort of lagging just a little bit today. But it's been a full day, and I am going to tell you, those of you who stuck around, you'll be glad you did. We are going to finish up with a presentation from our Chief Information Officer, John Owens here and Raj Dolas is presenting for the Trademarks Next Generation Project.

And I believe we're actually going to start off with a live demo. Debbie mentioned this to you. I don't want to take away too much thunder, but we've been talking for a good number of years about the progress of Trademarks Next Generation and of the investment we've been making in IT. And a lot of you have heard sort of the standard saying, we're working on internal systems. So people that are in the office are using these and starting to see the changes.

And on the outside, we know that change is happening. We've seen a few things. We got to see the electronic OG when that was demoed. Today we're going to look at a beta version. So this is not out yet. It's on the way. I'll let them fill you in a bit. But we're going to take a look at what you will see coming in the area of the ID manual.

So they're conferring. I hope the technology issues don't slow us down or stop us, but thank you John Owens.

MR. OWENS: Thank you. Good morning, barely I guess. We were going to do the demo following our presentation. Would that be okay?

MR. TEPPER: Absolutely. Thank you.  
Sorry to be behind, as I often am, but we appreciate the efforts.

MR. OWENS: I'll hand it right over to Raj and we'll get going.

MR. DOLAS: We're doing a great amount of work, lots of work in Trademark Next Generation portfolio. And to make sure that we can manage all that work, the number of projects that we're executing, we break those projects up into different programs and the different programs into four different investments.

You've seen this slide before, Trademark Next Generation from '11 to '14 was focused on delivering capabilities for examining attorneys. That work will continue a little bit into this current fiscal year. But our focus is to ensure that all capabilities that we are developing are truly meeting the needs of examining attorneys.

So what we do is we do a monthly demo of the capabilities that they are -- as they are developed. And on a two month cycle, we do a usability of those capabilities with examining

attorneys. The work that we do with the usability studies help us understand whether the systems that we're building are going to meet the needs of examining attorneys. Whether they are easy to use. Whether they are self-learnable. And when we get feedback from examining attorneys, we put that back into our backlog of work that needs to get done.

MR. OWENS: If I could chime in here for a second. This is quite honestly a fantastic experience. I know this project is a little bit behind, both Trademarks and the CIO agree that it's the quality of the product that meets the needs of the examiner, in this instance it's examiner tools, that's really foremost. Not the date. Not pushing something that's not -- that doesn't meet the requirement or just getting something done to say that we're done. But really pushing the product in the right way and making the decisions together.

One of the best things that I have experienced here at the USPTO for my tenure since 2008, is growing into the relationship that we have had as CIO to Trademarks and making -- back

when I first started, the relationship, let's just say it was tenuous at best. And now here we are demoing monthly, showing management and the examiner what we're doing, how we're doing it, providing that input. And all of that change in culture was facilitated by one of the best partners that anyone could ever have, particularly any CIO could ever have in a customer.

And I wanted to take this opportunity, I'm not going to wait till the end Debbie to say what I have to say. I'm going to do it in the middle. To say thank you to Debbie and her staff and Debbie's leadership, which has been extraordinary, in changing the culture and helping me mold the culture between the two organizations to be true partners. Where we can keep each other informed and make the tough decisions together, to focus on what's really important in the trademark business.

And I for one am not looking forward to the holiday time this year because of Debbie's departure. But I wanted to say thank you Debbie. All of us in CIO are going to miss you greatly.

And I just hope that they find someone half -- as half a leader as you to continue to move us forward.

MS. COHN: John, thank you so much. Thank you.

MR. DOLAS: I want to chime in and say thank you Debbie. Without your partnership, we wouldn't be where we are. We truly thank you for that. Getting to business. So '11 and '14 focus was on examining attorneys. Focus was on building our infrastructure that's necessary. Building that necessary framework to stand up Trademark Next Generation projects.

Fifteen through seventeen we'll be focusing on capabilities that will be re-used, that we have already built, and re-use them for other business units within Trademarks and build capabilities that do not exist today for others, such as LIEs and other business units, support units that are within Trademarks. We also have an investment that focuses exclusively on the systems that are externally facing. You have seen an example of Trademark official Gazette as a brand new system that we demoed last time

we -- six months ago when we were here. Today we'll demonstrate another system that is externally facing, extremely critical system for filing trademark applications. And the fourth investment, we cannot miss it, is Trademark Trial and Appeals Board. We'll focus on delivering capabilities for TTAB in fiscal year '16.

So what have we done so far? We have defined the business and technical architecture. We have provided examining attorneys with the capabilities to approve first action for publication. We have developed very nice way of writing office actions, public notes, summary notes and maintaining persistent records of those. We have developed a, what we call state machine, which really is our case management system. A Home grown case management system. And we have also developed synchronization capabilities that keep our existing Legacy systems in the same state, synchronized with the Trademark Next Generation system.

We have demonstrated a round trip, if you will, that an examining attorney performs an action, certain specific actions, on the Legacy

side or existing system side, and those are synchronized on the Trademark Next Generation side and vice versa. This is an incredibly difficult task, but it's been -- we will demonstrate that it works successfully.

We also built infrastructure services for Trademarks that will be operational 24 by 7 by 365. That's our goal, to maintain infrastructure that is up and alive and running all the time. Current accomplishments, in the last -- since the last three months, since you -- since we were here, we have provided the capabilities to search multiple databases from within TMNG. So we don't want examining attorneys to leave TMNG or perform the search outside, come back, do copy and paste and that kind of stuff. Rather we would have everything done within TMNG and all capabilities, all features are right there within one browser window.

We also have developed a file to note functionality, which is used in office actions. We have added to the synchronization different transactions that are performed by examining

attorneys. And we are ready for a test drive for the examining attorneys to run this. And we'll be running a usability test end of October and sometime in November again.

What is remaining and upcoming for the next few months are all these different capabilities. Communication with external applicants and registrants. Searching external databases. Viewing multiple cases while you are in TMNG. Sending requests to other Trademark business units. Fee history, historical production and current production and quality achievements. Setting deadlines for case files, tracking timeframes for different processes. Viewing all required content within a particular case, such as images, media files, et cetera, and editing data whenever it is necessary.

So these are some critical capabilities that all Trademark users are going to need, particularly the examining attorneys. Our goal is to finish all these capabilities, development of all these capabilities by March 2015.

In addition to this, what is not included here is regular feedback that we receive

from Trademark users, from our monthly demos, from our usability tests that always get added to upcoming work. We want to ensure that the system is truly designed for the needs and by the users for themselves.

Trademark Next Generation external investment. Accomplishments there. You have seen the ID -- you will be seeing the ID manual today, and I don't want to spend too much time talking about it 'cause you're going to see a test drive for that. Trademark Official Gazette for external users, we are always enhancing the needs -- enhancing the system based on the needs of our external users. At this time, majority of the work that we are doing for TMOG is internally facing. So the reviewers who review Official Gazette have a system that is very similar to Trademark Next Generation.

Legacy system improvements, the two major projects that we have been working on are for TEAS and Madrid. TEAS, as you can see there are several things we have been doing. The due date calculator for accepting delayed filings, incorporating email addresses and their updates.

Expanded ability to upload sound and multimedia files. Letters of protest for allowing faster uploading of data and notification text for TEAS updates and announcements, right on the first page. Or all pages actually.

We're also working on reduced fees. That's not included here at this point, but that's one of our major work items at this point. On the Madrid side, we are working on enhancing the processing work flow, and we just have several things that we need to work through that have been outstanding for a while, as far as problems in the systems go.

That's all we have from talking points perspective. And I really want to bring the demo to you guys and show what we have done for Trademark Next Generation ID Manual Project. I think you'll be all excited to see that.

MR. TEPPER: Thank you. As we're preparing for our demonstration, do we have questions? Any updates for our CIO? Yes, Deb?

MS. HAMPTON: I just have a quick question Raj about the due date calculator? How does that work?

MR. DOLAS: I will have to refer that to the experts in the room.

MS. HAMPTON: Oh, okay.

MR. TEPPER: Other questions? All right, well, let's do take a look thing. I hope this -- this will be a good way for us to close out our morning. And like all live demonstrations, I think it shows a great deal of confidence for us to put this up here. Do we have a question? Did I miss one?

MS COHN: Well, Maury I think that Tanya Amos, who is our TEAS administrator could possibly help Deb with that question.

MR. TEPPER: Okay, I'm sorry.

MS COHN: Yeah, Tanya Amos is going to help out.

MR. TEPPER: Tanya, thank you for joining us.

MS. AMOS: Good morning. The due date calculator, what we've done with the latest release is we've added the ability to calculate holidays. In the past, you've had to file a petition or some other mechanism to get your filings in on a day right after a holiday. And

with this new feature, you can now timely file during a holiday because we can add that holiday into the TEAS system without a release. So we think it'll be a very large benefit to our external customers.

MR. TEPPER: Thank you Tanya. I'm glad we got that clarification.

MR. DOLAS: I was going to say thank you because she knows better than I do obviously about this.

MR. TEPPER: I find myself in that position a lot Raj, believe me. Well, please, let's go right ahead with our demo.

MR. DOLAS: The demo, Jen Chicowski is behind -- sitting over there, she is going to demonstrate the Trademark Next Generation ID Manual.

MS. CHICOSKI: Good morning. I am back here driving the new USPTO's Next Generation ID Manual. As you can see, it is labelled a beta version. We are soliciting for feedback. Right now there is a TM feedback at USPTO.gov, will be the place where you will send such feedback. We have a search box, a very simple interface search

box where you can start the process for searching for items. And we have some quick tips and some resource links as part of the overall application.

I'm going to start with a very simple example of searching for "fresh vegetables." And it worked. Now we're good. Let's see here. We're still on that. We're still loading results. Ah, that works much better. There we go. We have our fresh vegetables. Our results are displayed in what is called a table, the results table. This table is sortable on any of the criteria at the top. The search results are initially retrieved in a priority order. Priority is determined by an algorithm that is matching the search terms with the terms in the results.

There are certain ranks given to the records. Those with the exact match being the first retrieved and those with additional matter in the description being further down on the list because they don't have as high of a matching percentage. We can sort, again, alphabetically, by description. We can sort by date. All of

these items happen to be in the same class, but if you sorted by class, you could put it in class order.

And then each item, you can view a full view record that will have version history, if there is any. The notes to the record which are there for you to review, copy, paste, use as you see fit. And then if you want to search for something in a more advanced fashion, we have an advance search feature. I'm going to search for air fresheners. Our air fresheners, we have a longer list of results, which includes some items that have been deleted from the ID manual for various reasons.

So if you would like to filter out those things that are no longer an acceptable identification, you can simply uncheck the "deleted status and research" and it will filter down to a much smaller group of results. If you want to see what was the reason why those things were deleted, we can go back and expand the note right within the table to read the entire note about the deletion and when it was effective. And if you look at the particular record, you will

see the version history that explains that this was effective from only that date until that date when it became a deleted record.

As you can tell, the terms, when they are searched, also have an ability to search for the -- better make sure that's checked -- to search for items that are the stemming version, which would include, if you type in "freshener," you should be receiving fresheners, plural, freshening. So it gives you some related terms without having to truncate. And those items are also given a rank of priority and put in the results table.

There's also the ability to change the columns that you display. So if you do not want to see, say, for example, the NCL version or the type, you can do that. And then you would have a different layout of the items on the table. We are working towards enhancing for the future, the ability to make these preferences set by the user. And then every time you return, you would be able to have your preferences without having to change. At this point, as the beta version is in its current state, you would need to set those

preferences during every session that you go in to use the manual. But eventually we want to have the ability to have you have your own personal settings.

The NCL version is also listed with some informational tool tips that explain what these items are. We will be adding to those tool tips to use, to explain information and to describe the different features. If you want to see what was available in an older edition, say prior to 2011 when the items were removed, this will show you what the condition of the items were back in the day when they were acceptable.

So it has the ability to give you a past look at what was available in an older edition of the ID manual. And the current version is the default. So in the interests of time, those are the main features. The beta version will be available for a good period of time, at least six months for comment. We want to enhance it as we can with your suggestions and needs. If there's other features that you would like to see, please let us know and send your comments to TM Feedback. Thank you.

MR. TEPPER: Thank you so much. And I think it shows a great deal of confidence and courage to engage in a live demonstration. So we appreciate your walking us through that. That's something I don't know that I would have in me. I know just in taking a quick look, I hope you all noticed, there's a lot that's going to look different and that's going to be a lot more intuitive and easy to get around and to access. I encourage all of you to play with this tool and do send in your feedback and comments.

Now the beta version, is it -- when will this -- when will the availability --

MS. CHICOSKI: End of the month.

MR. TEPPER: All right. So stay tuned, and I hope you were glad you came today for that. That being said, I think that closes our presentations. Are there any comments from -- comments or questions from the committee? All right. How about any comments, questions from the public today? You guys are a satisfied bunch. We're going to have just two more housekeeping items to mention.

If you are here in DC and this does not

apply to anyone who might be watching online, but if you parked in Colonial Parking garage this morning and pulled in at about 7:05, you might want to see me on your way out so that you can exit the parking garage. We have a ticket that was found. So if you think it might be yours, please do come up and make sure that you claim that.

And then I would like the rest of you to take out your pens and pencils. You'll notice that the final item on our agenda is "next meeting" and there is a blank. If you will write down, Friday, February the 27th. We will be meeting back here on Friday, February 27th. We will be welcoming by that point. We should have back up to full complement with a few new members.

So we will look forward to that date. I do hope that you take the time to take a look at some of the preparations for Expo on your way out. I encourage anyone who is able to in the area, to come and attend. If you know the amount of work it takes to throw a little party for your good friends, imagine 15,000 close friends and the public. This is a really great outreach event and I think a big week for Trademarks.

And I'll just close by saying, Debbie, I think it's clear, we all know that you've done a fabulous job as commissioner. A tremendous job. But I've been struck by noticing, the number of folks who have been choked up in trying to tell you that. And it's because not only do you do a great job leading us, you're just a great person. We are all better off for having known you and worked with you. I wish we could keep you here forever. I know that we can't. But we are all going to miss you very much and congratulations and thank you for all that you've done for us.

That being said, I'm not going to put you on the spot but --

MS. COHN: Maury thank you. Thank you again and thank you to the entire TPAC and again, to the great team in Trademarks, to the examining attorneys, to all of the employees. It's just been a wonderful almost 32 years, and I'm not sure what's next. But I know that I will miss Trademarks, USPTO, the TPAC. You've been just an amazing group of people to work with. And the trademark public and trademark owners are better

off for your service. So thank you very much.

MR. TEPPER: Thank you folks. We are adjourned for this meeting. We look forward to seeing you all soon.

(Whereupon, at 11:45 a.m., the  
PROCEEDINGS were adjourned.)

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CERTIFICATE OF NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA

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

(Signature and Seal on File)

**Notary Public, in and for the Commonwealth of  
Virginia**

**My Commission Expires: August 31, 2017**

**Notary Public Number 122985**