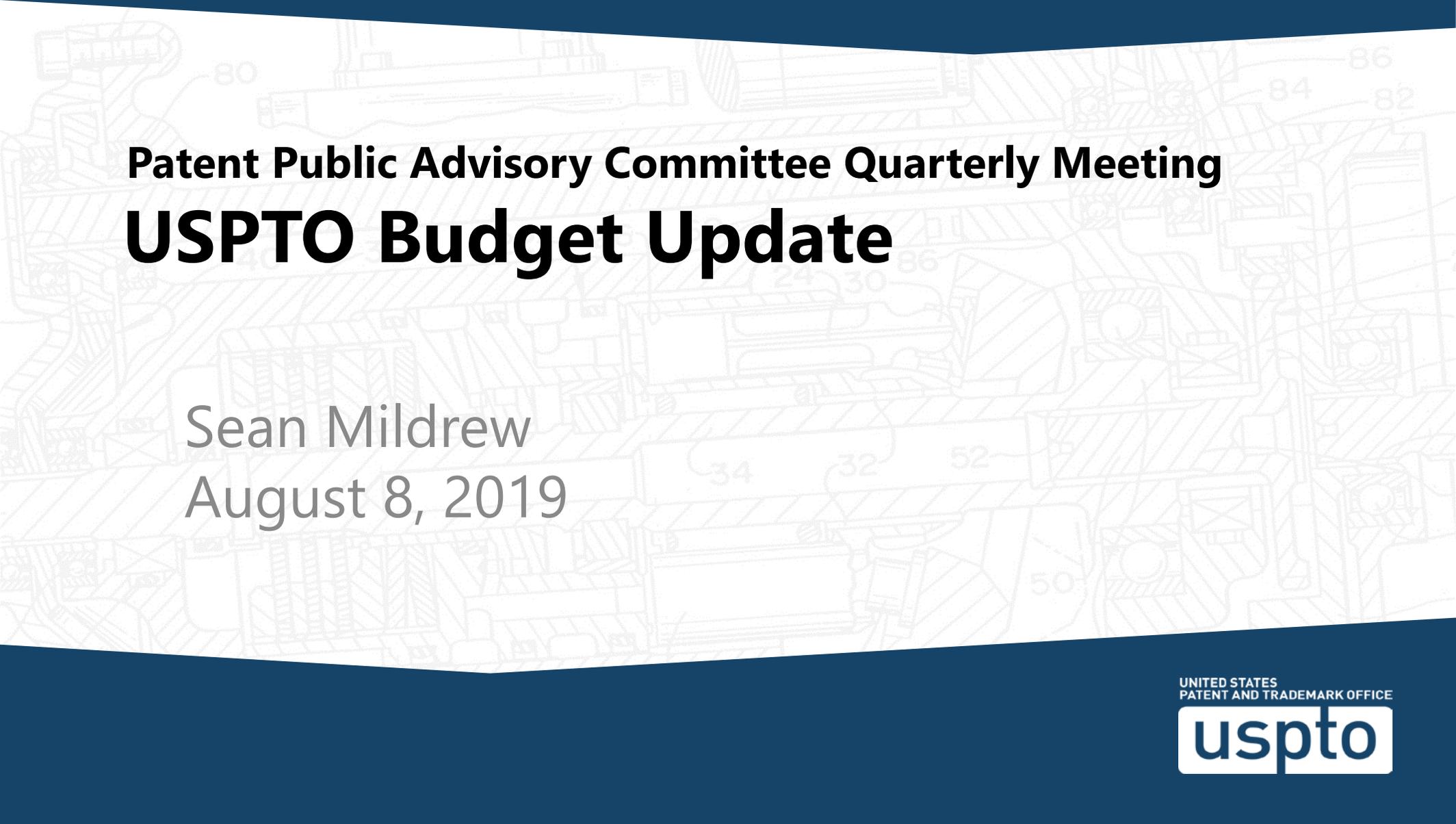


**UNITED STATES
PATENT AND TRADEMARK OFFICE**





Patent Public Advisory Committee Quarterly Meeting **USPTO Budget Update**

Sean Mildrew
August 8, 2019

UNITED STATES
PATENT AND TRADEMARK OFFICE

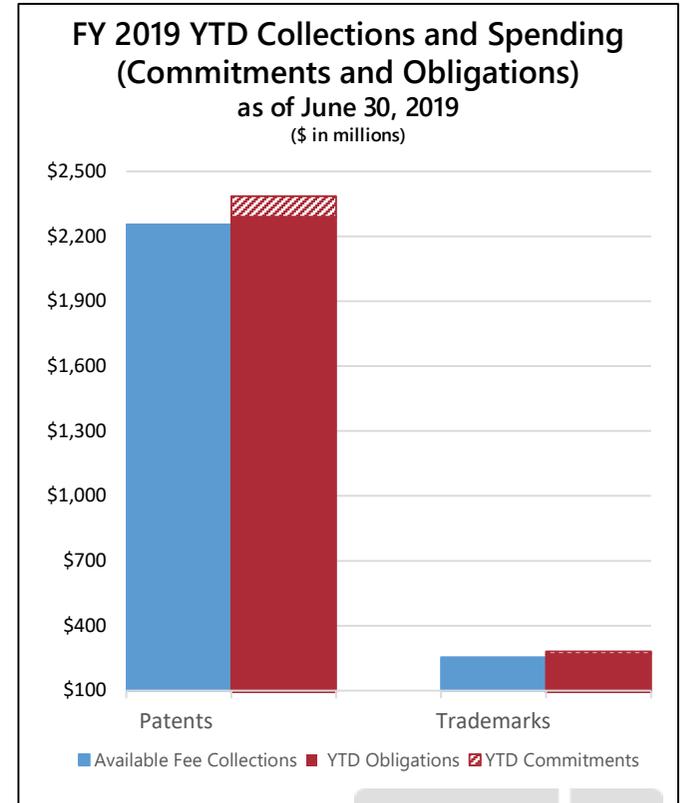


Agenda

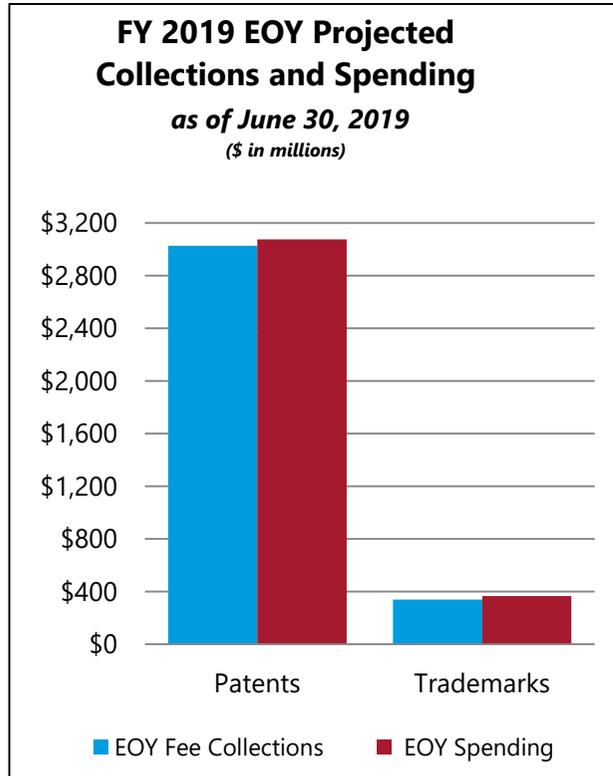
- FY 2019 status
- FY 2020 budget
- FY 2021 budget
- Fee rulemaking and biennial fee review

FY 2019 status: year to date

- As of June 30, 2019, year to date:
 - Planned fee collections of \$2,508.8M
 - Patents: \$2,255.0M Trademarks: \$253.8M
 - Actual fee collections: \$2,529.2M
 - Patents: \$2,274.7M, Trademarks: \$254.5M
 - Actual spending: \$2,666.2M
 - Patents: \$2,384.7M, Trademarks: \$281.5M



FY 2019 status: end of year



- As of June 30, 2019, end of year:
 - Projected fee collections of \$3,368.4M
 - Patents: \$3,027.8M Trademarks: \$340.6M
 - Projected spending: \$3,441.8M
 - Patents: \$3,076.1M, Trademarks: \$365.7M
 - Projected operating reserve: \$412.4M
 - Patents: \$296.1M, Trademarks: \$116.3M

FY 2019 status: fees

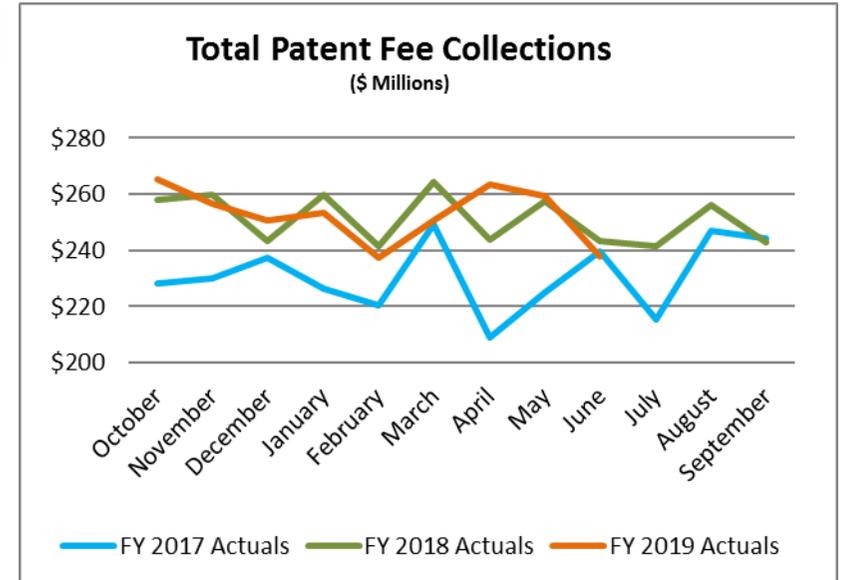
- Patents end of year fee estimate is \$3,027.8M.

Total Patents collections (dollars in millions)

FY 2017		FY 2018		FY 2019	
Actual	Increase	Actual	Increase	Plan	Increase
\$2,772.2		\$3,009.9	8.6%	\$3,027.8	0.6%

- Collections through June 30th are currently 0.2% above the corresponding FY 2018 timeframe.

FY 2017		FY 2018		FY 2019	
Actual	Increase	Actual	Increase	Actual	Increase
\$2,065.5		\$2,269.6	9.9%	\$2,274.7	0.2%



FY 2020 budget

- The House Committee report issued on June 3, 2019 recommends appropriating \$3.45B which aligns to the FY 2020 President's Budget request level.
 - States that "USPTO should continue to provide quarterly reports to the Committee on the status of PE2E, including the proposed retirement of legacy systems, cost savings associated with those retirements, and any efficiencies achieved in patent processing because of these investments."
- As of July 18th, USPTO is waiting for the Senate markup of the budget.
- Congress has until October 1 to enact a budget or a continuation resolution.

FY 2021 budget

- USPTO is working on its FY 2021 OMB budget submission.
 - The PACs and DOC will receive a draft to review in late August 2019.
 - The final document is scheduled to be submitted to OMB on September 9, 2019.
 - The public will see USPTO's final FY 2021 budget request in February 2020



Fee rulemaking

- The USPTO is continuing the process of drafting and reviewing a notice of proposed rulemaking (NPRM) to set and adjust patent-related fees.
- The Agency expects to have the NPRM published in the Federal Register for public comments by late summer.

Biennial fee review

- USPTO is reviewing and analyzing possible fee proposals to best support:
 - Sustaining of operations and mission-critical support activities
 - Funding performance enhancements to maintain level of service excellence and adapt to major macro-economic shifts; and
 - Alignment of revenue with cost to incentivize better IP investment and projection

Questions and comments

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