



**United States Patent and Trademark Office
Fiscal Year 2025 Congressional Submission**

March 2024

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**DEPARTMENT OF COMMERCE
UNITED STATES PATENT AND TRADEMARK OFFICE
Budget Estimates, Fiscal Year 2025
Congressional Submission
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Description/Scope of Responsibilities

The United States Patent and Trademark Office (USPTO) is an agency within the U.S. Department of Commerce (DOC). The Under Secretary of Commerce for Intellectual Property and Director of the USPTO leads the agency and consults the Patent Public Advisory Committee (PPAC) and the Trademark Public Advisory Committee (TPAC) on agency policies, goals, performance, budgets, and user fees. The Commissioner for Patents oversees the Patents organization, and the Commissioner for Trademarks oversees the Trademarks organization. The Commissioners, whom the Secretary of Commerce appoints, enter into annual performance agreements with the Secretary that describe their measurable organizational goals.

The USPTO's mission is to drive U.S. innovation, inclusive capitalism, and global competitiveness. The USPTO will deliver on its mission through two distinct programs, Patents and Trademarks, that administer patent and trademark laws to enable and protect intellectual property (IP). The USPTO is a demand-driven, fee-funded, performance-based agency committed to delivering balanced IP protection and information to all its stakeholders, including inventors, entrepreneurs, businesses, IP organizations, and international entities.

The USPTO estimates that it will employ 14,933 federal employees, including patent examiners, trademark examining attorneys, information technology (IT) specialists, attorneys, and other administrative staff, in fiscal year (FY) 2025. The USPTO's employees perform the inherently governmental functions of issuing patents and registering trademarks, as well as providing domestic and global leadership on IP issues. Third-party contractors perform several mission support activities that are not inherently governmental.

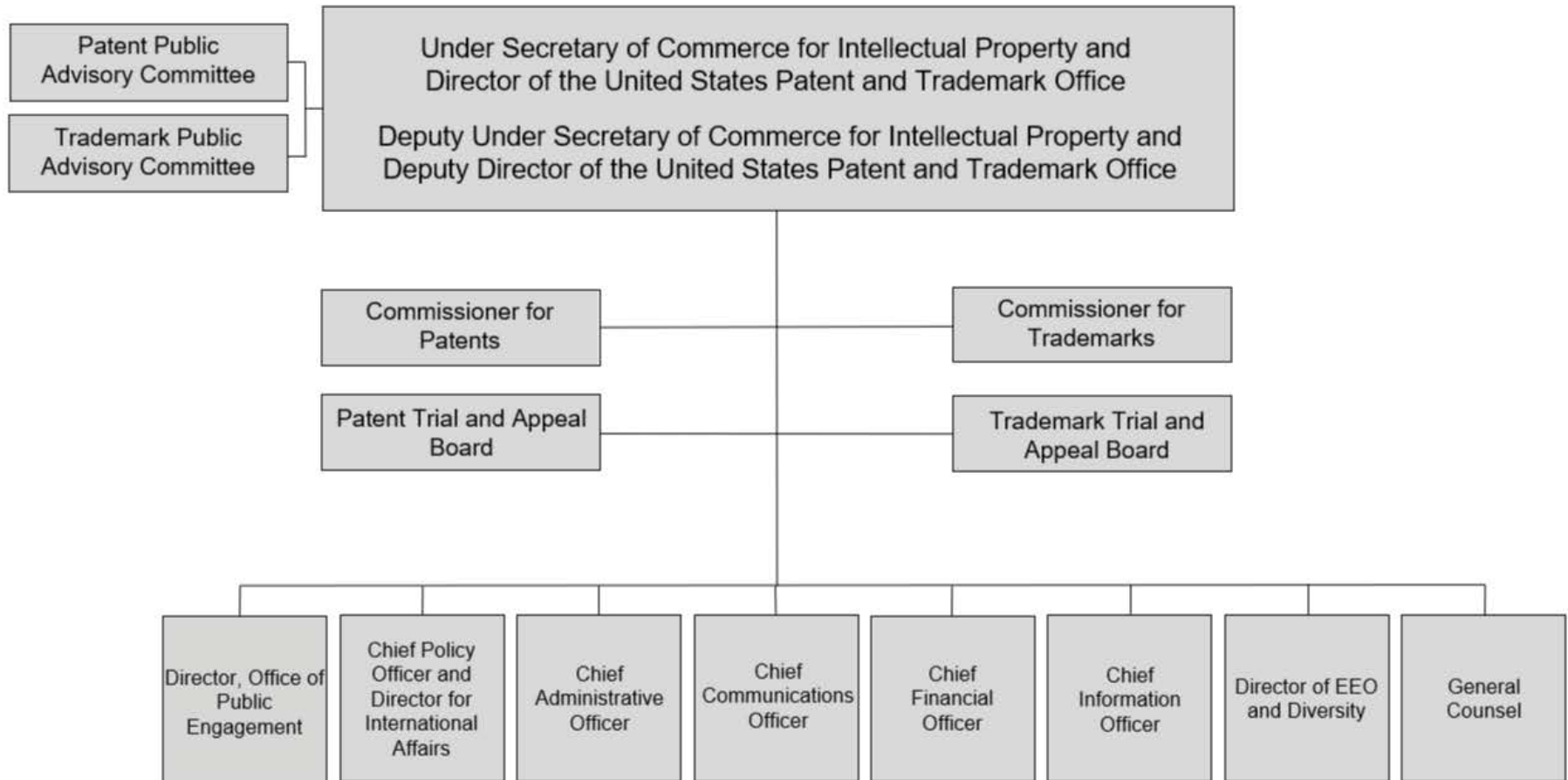
A core component of the USPTO's business strategy is a nationwide workforce with extensive remote work and telework options to employ, engage, and retain employees. The USPTO has successfully managed organizational performance and organizational health under this operating model. The USPTO is headquartered in Alexandria, Virginia, and has four regional offices in Detroit, Michigan; Denver, Colorado; San Jose, California; and Dallas, Texas. The agency also maintains an Eastern Regional Outreach Office based at USPTO headquarters. The USPTO is implementing the provisions of the [Unleashing American Innovators Act of 2022](#) (UAIA) (Pub. L. 117-328), enacted on December 29, 2022, and, accordingly, will open a new regional office in the Atlanta, Georgia, metropolitan area serving innovators in the Southeast region, and a new community outreach office in Strafford County, New Hampshire, serving innovators in the New England region. The USPTO continues to evaluate locations for three additional community outreach offices across the United States.

Exhibits 32 and 33 contain the USPTO's legislative authorities.

Disclaimer

Due to rounding, the numbers presented in tables throughout this document may not add up precisely to the totals provided, and percentages may not precisely reflect absolute figures.

**Department of Commerce
United States Patent and Trademark Office**



**Department of Commerce
U.S. Patent and Trademark Office
Budget Estimates, FY 2025
Executive Summary**

The USPTO’s FY 2025 Budget (Budget) estimates agency fee collections of \$4,555 million, consisting of \$3,972 million in patent fees and \$583 million in trademark fees. The USPTO also expects to collect \$60 million in other income (i.e., reimbursements). Estimated spending is \$4,569 million, consisting of \$3,975 million in Patents spending and \$594 million in Trademarks spending, which supports 14,933 positions. During FY 2025, the USPTO will add a net of \$47 million to the combined operating reserves (ORs). The patent OR will increase by \$48 million, and the trademark OR will decrease

USPTO Operating Levels for FY 2025			
<i>Dollars in millions</i>	Patents	Trademarks	Total
Estimated fee collections (Appropriation/Authority)	\$3,972	\$583	\$4,555
Other income	\$50	\$10	\$60
Operating reserve, beginning of year	\$793	\$86	\$878
Total estimated funds available	\$4,815	\$679	\$5,494
Estimated spending	(\$3,975)	(\$594)	(\$4,569)
Total operating reserve and Patent and Trademark Fee Reserve Fund (PTFRF), end of year	\$840	\$85	\$925
Authorized positions	13,195	1,738	14,933

by \$1 million. The agency requests appropriation authority to spend the full fee collection estimate of \$4,555 million to offset budgetary requirements (estimated spending and OR deposits); under this request, the USPTO’s FY 2025 net appropriation is \$0.

The Budget anticipates the USPTO will implement changes to both the patent and trademark fee schedules during FY 2025. Accordingly, FY 2025 estimated fee collections and the appropriation request level include these changes. New aggregate fee collections will meet budgetary requirements to address increased workloads and inflationary pay raises, offset aggregate fee discounts enacted in the UAIA, update the patent examiner special rate table¹, and establish a regional office and four community outreach offices in accordance with the UAIA. Reducing spending requirements through divesting leased space in Northern Virginia and moderately reducing overall IT spending partially offsets new budgetary requirements.

The USPTO is a fee-funded agency and must periodically assess and adjust fee rates to ensure aggregate fee collections finance the aggregate costs necessary to issue robust and reliable patents and to register and maintain accurate and reliable trademarks. Recent comprehensive patent and trademark fee reviews concluded that fee adjustments are necessary to increase aggregate revenue (fee collections) and to refine certain fees to finance ongoing operations. For purposes of estimating fee collections, the Budget assumes revised

¹ The patent examiner special rate table applies to job series 1220, 1222, 1223, 1224, and 1226.

trademark fee rates will take effect on November 23, 2024, and revised patent fee rates will take effect on January 8, 2025. These dates, as well as the proposals, may change as the agency goes through the process of publishing notices of proposed rulemaking (NPRMs), incorporating public feedback received during the comment periods, and drafting and publishing final rules. Combined, the agency projects these new fee rates will increase fee collections by approximately \$437.9 million during FY 2025.

The Budget is predicated on workload and fee collection estimates derived from agency production and workload models, as well as relevant indicators of economic and IP activity. In FY 2025, the USPTO estimates that the growth rate for serialized (original) patent applications will increase by 1.5% over projected FY 2024 application filing levels, and that trademark applications will increase by 4.6%. These forecasts are inherently uncertain; actual demand for patent and trademark services could be higher or lower than projected based on changing economic conditions. The USPTO must spend fee collections to meet the actual demand for services.

To mitigate the risk of uncertain demand, the USPTO maintains two ORs (i.e., patent and trademark). The ORs are a U.S. Government Accountability Office (GAO) best practice for user fee-funded government agencies like the USPTO. The ORs enable the USPTO to align fees and costs over a longer horizon and to improve its preparation for, and adjustment to, fluctuations in actual fee collections, demand, and spending. Depositing a portion of annual fee collections into the ORs, such that the balance is available to finance USPTO operations in the event of unexpected economic fluctuations, is a USPTO budgetary requirement. With the proposed fee adjustments in FY 2025, the agency projects the patent OR will remain above minimum levels for all years through FY 2029, under current economic assumptions. The USPTO expects the trademark OR will be slightly below minimum OR levels in FYs 2024-2026 and above minimum levels in FYs 2027-2029 under current economic assumptions. For additional information, including annual estimates for FYs 2025-2029, please see [Appendix I](#).

The USPTO is committed to fiscal responsibility. It makes prudent decisions to align spending priorities with fee collection projections to meet workload requirements and maintain sufficient OR levels. The fee setting authority authorized in the 2011 Leahy-Smith America Invents Act (AIA) (Pub. L. 112-29) and extended in the Study of Underrepresented Classes Chasing Engineering and Science Success Act (SUCCESS Act) of 2018 (Pub. L. 115-273) provides the USPTO the authority to set and adjust fees to align with costs. The AIA also created a successful framework to provide the USPTO full access to all fees it collects. This authority to adjust both patent and trademark user fees via the regulatory process enables the USPTO to set fees at the appropriate level to recover the aggregate costs of its operations, including investments in strategic agency goals, and to respond to changing legislative requirements and market needs. Since the enactment of the AIA, the agency has adjusted patent and trademark fees via rulemaking three times, and the fee collection estimates in this Budget include proposals that would represent a fourth rulemaking adjustment for both patent and trademark fees. Fee estimates included in this Budget reflect the change in small and micro entity discounts included in section 107 of the UAIA. Absent congressional action, the agency's AIA fee setting authority will expire on September 15, 2026.

The USPTO is requesting administrative approval to update and adjust the patent examiner special rate table (table) for the first time since 2007. The objective of the table update is to provide competitive compensation to patent examiners, thereby reducing attrition and enhancing the recruitment of qualified employees needed to examine increasingly complex IP applications. This Budget includes an estimated compensation increase for the Patents organization that is contingent on final approval. The USPTO will include additional details in future budget submissions pending finalization and approval of the table proposal.

This Budget also assigns resources to substantially fund provisions of the UAIA. Specifically, it includes requirements in FY 2024 to establish a New England Community Outreach Office in Strafford County, New Hampshire, and a Southeast Regional Office in the Atlanta, Georgia, metropolitan area, including anticipated leased space build-out and IT infrastructure costs. The Budget also includes requirements to establish three additional community outreach offices and to conduct a study to determine whether additional offices are required to achieve AIA mandates and increase the participation of underrepresented inventors in the patent system in accordance with the UAIA. For more detailed information, please see [Appendix I](#).

The UAIA directed the USPTO to promote inclusive innovation by expanding its national footprint and establishing and expanding stakeholder programs that increase access to the U.S. innovation ecosystem. As a result, the Budget funds the establishment of a new office—tentatively titled the Office of Public Engagement (OPE)—to operationalize UAIA requirements. The OPE will consolidate outreach, education, customer experience (CX), and customer engagement functions from across the agency to deliver a greater impact to more innovators and reach newer audiences.

Budget Highlights

The USPTO's FY 2025 estimated spending is \$4,569 million. This figure is a \$122 million net increase from the agency's FY 2024 estimated spending of \$4,447 million. The net increase includes a \$224 million upward adjustment for prescribed inflation and other adjustments to base, and a \$102 million downward adjustment in program spending and other realized efficiencies. This aggregate spending level allows for the USPTO to hire 850 patent examiners (approximately 360 over estimated attrition levels) and 80 trademark examining attorneys (approximately 50 over estimated attrition levels), as well as implement sufficient production support capabilities to match the agency's examination capacity with its expected workload. Furthermore, the Budget funds additional examination capacity to improve patent reliability, maintain patent term adjustment (PTA) compliance rates, maintain trademark quality, and improve trademark processing times to match demand and reduce the backlog of unexamined inventory (resulting from unprecedented demand during 2021). Additionally, the Budget supports the following major USPTO strategic initiatives: the Council for Inclusive Innovation (CI²); emerging technologies like artificial intelligence (AI); the Women's Entrepreneurship (WE) initiative; military community-focused entrepreneurship resources; the White House Cancer Moonshot initiative; enhanced collaboration between the USPTO and the U.S. Food and Drug Administration (FDA); support for international cooperation on IP rights to advance global competitiveness and improve enforcement, capacity building, and legislative reform; engagement with domestic and global partners to incentivize, protect, and commercialize green tech, climate-related innovation, and sustainability; and the provision of equal opportunity for people of all backgrounds to become innovators through inclusive innovation. The Budget builds on the \$40 million in real estate savings assumed in the FY 2024 President's Budget (PB), to include additional annual cost savings of \$12 million through leased space reductions in Northern Virginia. The combined reduction in campus space amounts to estimated annual cost savings of approximately \$52 million.

Performance

For current Government Performance and Results Act targets, please see [Appendix IX](#).

Adjustments

Inflationary adjustments

The USPTO's FY 2025 base includes a total of \$4,668 million and 14,023 full-time equivalents (FTEs)/14,459 positions. The agency calculated inflationary adjustments to current programs for USPTO activities from these levels. These adjustments include the estimated 2.0% civilian pay raise planned in FY 2025 and inflationary increases for labor and nonlabor activities such as benefits, service contracts, utilities, and lease payments.

TOTAL BUDGET AND FINANCING

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Department of Commerce
U.S. Patent and Trademark Office
PRIORITY RANK OF 2025 PROGRAM CHANGES
(Dollar amounts in thousands)

Page No.	Activity/Sub activity	Item	Positions	Budget Authority
USPTO-29	Patent Program	Patent Examining	392	13,339
USPTO-70	Cross Cutting Functions	Human Resources Management and Administrative Services	9	2,906
USPTO-49	Trademark Program	Trademark Trial and Appeals	4	1,090
USPTO-69	Cross Cutting Functions	Executive Direction and Communications	5	488
USPTO-70	Cross Cutting Functions	Financial Management Services	13	107
USPTO-32	Patent Program	Patent Trial and Appeals	-	(22)
USPTO-68	Cross Cutting Functions	Global Intellectual Property Academy (GIPA)	-	(31)
USPTO-48	Trademark Program	Trademark Examining	44	(32)
USPTO-71	Cross Cutting Functions	Legal Services	-	(101)
USPTO-68	Cross Cutting Functions	Policy, External Affairs and Administrative Support	-	(171)
USPTO-68	Cross Cutting Functions	IPR Attaché Program	-	(330)
USPTO-71	Cross Cutting Functions	Cross Cutting Functions Information Resources	-	(3,421)
USPTO-33	Patent Program	Patent Information Resources	6	(4,029)
USPTO-72	Cross Cutting Functions	IT Infrastructure and IT Support Services	-	(9,005)
USPTO-49	Trademark Program	Trademark Information Resources	1	(10,626)
USPTO-73	Cross Cutting Functions	Miscellaneous General Expense (MGE)	-	(99,324)
	Total, Program Changes		474	(109,162)

**Department of Commerce
U.S. Patent and Trademark Office
FY 2025 PROGRAM INCREASES / DECREASES / TERMINATIONS**
(Dollar amounts in thousands)
(By Appropriation, Largest to Smallest)

Increases

Page No.	Appropriations	Budget Program	Title of Increase	Positions	Budget Authority
USPTO-29	Salaries and Expenses	Patent Program	Patent Examining	392	13,339
USPTO-70	Salaries and Expenses	Cross Cutting Functions	Human Resources Management and Administrative Services	9	2,906
USPTO-49	Salaries and Expenses	Trademark Program	Trademark Trial and Appeals	4	1,090
USPTO-69	Salaries and Expenses	Cross Cutting Functions	Executive Direction and Communications	5	488
USPTO-70	Salaries and Expenses	Cross Cutting Functions	Financial Management Services	13	107
Subtotal, Increases				423	17,930

Decreases

Page No.	Appropriations	Budget Program	Title of Decrease	Positions	Budget Authority
USPTO-73	Salaries and Expenses	Cross Cutting Functions	Miscellaneous General Expense (MGE)	-	(99,324)
USPTO-49	Salaries and Expenses	Trademark Program	Trademark Information Resources	1	(10,626)
USPTO-72	Salaries and Expenses	Cross Cutting Functions	IT Infrastructure and IT Support Services	-	(9,005)
USPTO-33	Salaries and Expenses	Patent Program	Patent Information Resources	6	(4,029)
USPTO-71	Salaries and Expenses	Cross Cutting Functions	Cross Cutting Functions Information Resources	-	(3,421)
USPTO-68	Salaries and Expenses	Cross Cutting Functions	IPR Attaché Program	-	(330)
USPTO-68	Salaries and Expenses	Cross Cutting Functions	Policy, External Affairs and Administrative Support	-	(171)
USPTO-71	Salaries and Expenses	Cross Cutting Functions	Legal Services	-	(101)
USPTO-48	Salaries and Expenses	Trademark Program	Trademark Examining	44	(32)
USPTO-68	Salaries and Expenses	Cross Cutting Functions	Global Intellectual Property Academy (GIPA)	-	(31)
USPTO-32	Salaries and Expenses	Patent Program	Patent Trial and Appeals	-	(22)
Subtotal, Decreases				51	(127,092)

**Department of Commerce
U.S. Patent and Trademark Office
FY 2025 TRANSFER SUMMARY TABLE**
(Dollar amounts in thousands)

Transfers

Page No.	Appropriations	Budget Program	Title of Transfer	Positions	Budget Authority
USPTO- 72	Salaries and Expenses	Cross Cutting Functions Program	Transfer to the DOC OIG	-	(2,450)
Total, Transfers				-	(2,450)

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
SUMMARY OF RESOURCE REQUIREMENTS**
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Total Obligations
2024 Current Plan	14,459	13,749		4,444,508
2025 Adjustments to base:				
Plus: Restoration of recoveries/unobligated balances				
Plus: Inflationary adjustments to base	-	274		230,826
2025 Base	14,459	14,023		4,675,334
plus: 2025 Program changes	474	200		(109,162)
F2025 Estimate	14,933	14,223		4,566,172

Comparison by activity /subactivity with totals by activity

		2023 Actual		2024 Estimate		2025 Base		2025 Estimate		Increase/(Decrease) from 2025 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Patents	Pos./Obl.	12,458	3,487,888	12,774	3,856,716	12,774	4,061,257	13,195	3,972,511	421	(88,745)
	FTE	11,338		12,118		12,373		12,527		154	
Trademarks	Pos./Obl.	1,649	480,205	1,685	587,792	1,685	614,077	1,738	593,660	53	(20,417)
	FTE	1,344		1,631		1,650		1,696		46	
Total	Pos./Obl.	14,107	3,968,093	14,459	4,444,508	14,459	4,668,321	14,933	4,566,172	474	(109,162)
	FTE	12,682		13,749		14,023		14,223		200	-
Adjustments for:											
	Offsetting Fee Collections		(4,040,161)		(4,119,306)		(4,554,940)		(4,554,940)		-
	Other Income / Recoveries		(60,467)		(60,467)		(60,467)		(60,467)		-
	Unobligated balance, start of year:										
	Operating Reserve Balance		(983,741)		(1,145,459)		(878,273)		(878,273)		
	PTFRF Balance		(31,633)		-		-		-		
	Unobligated balance, end of year:										
	Operating Reserve Balance		1,145,459		878,273		815,896		925,058		109,162
	PTFRF Balance		-		-		-		-		-
	Total Budget Authority		(2,450)		(2,450)		(2,450)		(2,450)		-
Financing from transfers											
	Transfer from other accounts (-)		-		-		-		-		-
	Transfer to other accounts (+)		2,450		2,450		2,450		2,450		-
	Appropriation		0		0		0		0		-

**Department of Commerce
U.S. Patent and Trademark Office
SUMMARY OF RESOURCE REQUIREMENTS**
(Dollar amounts in thousands)

		2025 Estimate		2026 Estimate		2027 Estimate		2028 Estimate		2029 Estimate	
Comparison by activity:		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Patents	Pos./Obl.	13,195	3,972,511	13,685	4,099,398	14,034	4,265,508	14,327	4,428,374	14,609	4,598,132
	FTE	12,527		12,906		13,371		13,675		14,004	
Trademarks	Pos./Obl.	1,738	593,660	1,808	610,349	1,864	634,879	1,919	663,647	1,970	690,143
	FTE	1,696		1,774		1,820		1,869		1,920	
Total Obligations	Pos./Obl.	14,933	4,566,172	15,493	4,709,747	15,898	4,900,387	16,246	5,092,021	16,579	5,288,275
	FTE	14,223		14,681		15,191		15,543		15,925	
Adjustments for:											
	Offsetting Fee Collections		(4,554,940)		(4,878,801)		(5,003,718)		(4,999,192)		(5,035,091)
	Other Income / Recoveries		(60,467)		(60,467)		(60,467)		(60,467)		(60,467)
Unobligated balance, start of year:											
	Operating Reserve Balance		(878,273)		(925,058)		(1,152,128)		(1,313,476)		(1,278,663)
	PTFRF Balance		-		-		-		-		-
Unobligated balance, end of year:											
	Operating Reserve Balance		925,058		1,152,128		1,313,476		1,278,663		1,083,497
	PTFRF Balance		-		-		-		-		-
Total Budget Authority			(2,450)		(2,450)		(2,450)		(2,450)		(2,450)
Financing from transfers											
	Transfer from other accounts (-)		-		-		-		-		-
	Transfer to other accounts (+)		2,450		2,450		2,450		2,450		2,450
Appropriation			0		0		0		0		0

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
SUMMARY OF FINANCING**
(Dollar amounts in thousands)

	FY 2023 Actual	FY 2024 Current	FY 2025 Base	FY 2025 Estimate	Increase / Decrease from 2025 Base
Total Obligations	3,968,093	4,444,508	4,675,334	4,566,172	(109,162)
Offsetting collections from:					
Federal funds	-	-	-	-	-
Trust funds	-	-	-	-	-
Non-Federal sources (User Fee Collections)	(4,040,161)	(4,119,306)	(4,554,940)	(4,554,940)	-
Other Income	(5,085)	(5,085)	(5,085)	(5,085)	-
Recoveries	(55,382)	(55,382)	(55,382)	(55,382)	-
Unobligated balance, start of year	(1,015,374)	(1,145,459)	(878,273)	(878,273)	-
Unobligated balance, transferred	-	-	-	-	-
Unobligated balance, end of year	1,145,459	878,273	815,896	925,058	109,162
Unobligated balance, expiring	-	-	-	-	-
Budget Authority	(2,450)	(2,450)	(2,450)	(2,450)	0
Financing:					
Transfer from other accounts (-)	-	-	-	-	-
Transfer to other accounts (+)	2,450	2,450	2,450	2,450	-
Appropriation	0	0	0	0	0

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
ADJUSTMENTS TO BASE**
(Dollar amounts in thousands)

	<u>FTE</u>	<u>Amount</u>
Technical Transfer to Departmental Management Salary and Expenses	-	-
Adjustments	-	-
Financing	-	-
	-	-
<u>Other Changes:</u>		
2024 Pay raise		30,039
2025 Pay raise		34,098
Full-year cost in 2025 of positions financed for part-year in 2024	274	33,490
Other Compensation Adjustments (amounts include the annualization of the projected implementation of the Patent Examiner Special Table increase)		94,086
Change in compensable days		-
Civil Service Retirement System (CSRS)		-
Federal Employees Retirement System (FERS)		(384)
Thrift Savings Plan (TSP)		-
Federal Insurance Contribution Act (FICA) - OASDI		3,619
Health insurance		3,095
Employee Compensation Fund		145
Post-Retirement Benefits to OPM		6,074
Travel		261
Rental payments to GSA		1,775
GSA Furniture and IT Program (FIT)		(3)
Postage		34
Working Capital Fund, Departmental Management		(882)
Cyber Security WCF		1,483
National Archives and Records Administration (NARA)		40
General Pricing Level Adjustment		24,738
Telecommunications Services – Enterprise Infrastructure Services (EIS)		(912)
Enterprise Services		-
HCHB Utilities		-
Commerce Business System (CBS)		-
Federal Protective Service		29
Subtotal, other changes	<u>274</u>	<u>230,826</u>
Total, adjustments to base	274	230,826

PATENT PROGRAM

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**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS**
(Dollar amounts in thousands)

Activity: Patent Program

		2023		2024		2025		2025		Increase/Decrease	
		Actual		Current		Base		Estimate		from 2025 Base	
Sub-Activity:		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Patent Examining	Pos./Obl	10,594	2,420,722	10,864	2,655,077	10,864	2,821,933	11,256	2,835,271	392	13,339
	FTE	9,861		10,395		10,615		10,743		128	
Patent Trial and Appeals	Pos./Obl	413	83,425	413	90,828	413	89,644	413	89,622	-	(22)
	FTE	356		354		352		352		-	
Patent Information Resources	Pos./Obl	209	148,646	178	156,998	178	162,612	184	158,582	6	(4,029)
	FTE	151		167		170		175		5	
Subtotal Direct		11,216	2,652,793	11,455	2,902,904	11,455	3,074,189	11,853	3,083,476	398	9,287
		10,368		10,917		11,137		11,270		133	
Cross Cutting Functions - Allocated	Pos./Obl	1,241	835,095	1,319	953,812	1,319	987,068	1,342	889,036	23	(98,032)
	FTE	970		1,202		1,236		1,257		20	
Total		12,458	3,487,888	12,774	3,856,716	12,774	4,061,257	13,195	3,972,511	421	(88,745)
		11,338		12,118		12,373		12,527		154	

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
JUSTIFICATION OF PROGRAM AND PERFORMANCE**
(Dollar amounts in thousands)

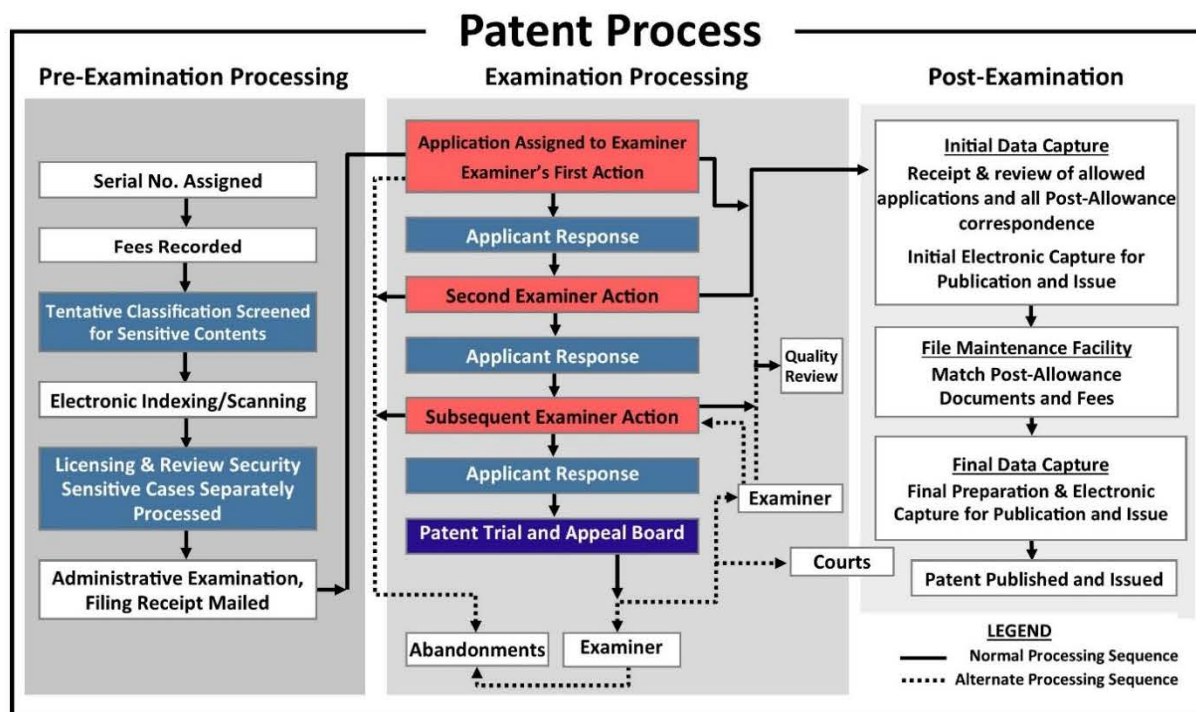
Activity: Patent Program

Goal Statement

The Patent Program carries out the USPTO's mission by delivering patent services that promote inclusive innovation and by partnering domestically and globally to educate and advise on ways to deter IP violations in accordance with laws, regulations, and practices.

Base Program

The Patent Program consists of the activities of the patent examination function and the Patent Trial and Appeal Board (PTAB), with support from the Patent Information Resources function, which provides the tools and resources to carry out the Patent Program's mission-critical activities. The functions of the Patent Program are primarily demand-driven. Thus, the USPTO derived a majority of the requirements for the FY 2025 base program from production-based workload modeling. The base resources needed to carry out the agency's mission include training, production incentive programs, and investments in IT solutions. The patent examination process drives most of the Patent Program requirements. It consists of the activities shown in the following schematic as well as the major functions described below. The USPTO allocates the budget estimates for line items according to processing functions.



Statement of Operating Objectives

The objectives of the Patent Program align with the USPTO's focus on enhancing the country's innovation ecosystem and providing strong, reliable, and predictable IP rights. Patents and the PTAB are meeting the USPTO's strategic goals by achieving the following objectives and corresponding initiatives. The Patent Program's objectives include:

- Issue and maintain robust and reliable patents.
- Improve patent application pendency.
- Optimize the patent application process to enable efficiencies for applicants and other stakeholders.
- Enhance internal processes to prevent fraudulent and abusive behaviors that do not embody the USPTO's mission.

Line Item	<u>Explanation and Justification</u>						
	2023		2024		2025		
	Actual		Current		Base		
		Personnel	Amount	Personnel	Amount	Personnel	Amount
Patent Examining	Pos./Obl.	10,594	2,420,722	10,864	2,655,077	10,864	2,821,933
	FTE	9,861		10,395		10,615	
Patent Trial and Appeals	Pos./Obl.	413	83,425	413	90,828	413	89,644
	FTE	356		354		352	
Patent Information Resources	Pos./Obl.	209	148,646	178	156,998	178	162,612
	FTE	151		167		170	
Cross Cutting Functions - Allocated	Pos./Obl.	1,241	835,095	1,319	953,812	1,319	987,068
	FTE	970		1,202		1,236	
Total	Pos./Obl.	12,458	3,487,888	12,774	3,856,716	12,774	4,061,257
	FTE	11,338		12,118		12,373	

Patent Program

For FY 2025, the USPTO base totals \$4,061 million and 12,373 FTEs/12,774 positions for the Patent Program.

Proposed Patent Fee Adjustments

The USPTO is a fully fee-funded agency and must periodically assess and adjust fee rates to ensure aggregate fee collections finance the aggregate costs necessary to issue robust and reliable patents. The agency recently completed a comprehensive patent fee review, with the conclusion that fee adjustments are necessary to increase aggregate revenue (fee collections) and to refine certain fees to finance ongoing operations efficiently.

As part of the patent fee review, the USPTO evaluated the financial outlook under the existing fee schedule and conducted significant research on and analysis of proposed revisions to certain fees. The UAIA, signed into law on December 29, 2022, reduced barriers to entering the patent system by increasing small and micro entity discounts. As a consequence of new, higher discounts, the USPTO estimates its annual fee collections will be approximately \$100 million less per year than previous estimates. Additionally, the broader U.S. economy has experienced higher-than-expected inflation over the last two years and, in turn, increased USPTO operating costs. The USPTO is also proposing to increase the patent special rate table, which will directly impact spending for the Patent Program

beginning in FY 2024. Consequently, the agency projects aggregate operating costs will exceed aggregate fee revenues for the Patent Program. The USPTO will finance this operating shortfall using existing OR balances until the agency implements a new fee schedule that realigns aggregate fee collections with aggregate costs.

Patent fee collection estimates included in this Budget are based on proposed patent fee adjustments presented in a May 2023 public hearing, with an assumed effective date of January 8, 2025. The proposed fee rates will increase projected fee collections by approximately \$437.9 million in FY 2025, once fully implemented.

Patent Examining

Continued investment in patent examination remains a priority. The USPTO employs nearly 9,500 patent examiners and other patent employees covered by a patent special pay rate table. In 2007, the table exceeded the Washington, D.C., area General Schedule (GS) locality pay table by 11.4–31.4%, depending on employee grade, with lower grades receiving the higher end of the supplement. The differential above the GS has diminished over the years. In 2024, five localities, including Washington, D.C., had GS locality pay tables that exceeded the special rate table for covered employees grade 12 and above. This has resulted in nearly 50% of the covered employees no longer receiving a specialized supplement above the GS counterparts. In 2007, the agency set rates above the federal GS pay table because patent-related job fields require a highly educated and technical science, technology, engineering, and mathematics (STEM) workforce. This specialization has historically posed recruitment challenges for the agency, and the increased pay rates kept the USPTO competitive with private sector compensation opportunities. Absent this increase, the special rate table will become obsolete, further reducing the USPTO's competitive edge among the private sector and other federal agencies. As such, the USPTO is facing rising turnover in the patent field and, in response, in accordance with 5 CFR 530.304, has submitted a special salary rate to increase the patent special rate table during FY 2024. This increase in patent special pay is an agency priority, and the USPTO considers it critical to the continuation of quality patent examination. The Budget assumes the requested increase will be approved and the funding of the increase is included in the compensation projections through the budget horizon. The requested increase is subject to the federal mandated pay caps, incorporated in the estimates herein. Estimates are subject to change pending formal approval and final implementation dates. This Budget also includes funding for recruitment incentives for certain incoming hires in the patent examination corps. These compensation investments will assist the USPTO in meeting hiring goals and retaining the tenured examination workforce necessary to keep pace with performance demands, while continuing to attract and retain qualified candidates in the highly competitive STEM job market.

These investments in patent examination also include funding for application readiness, continuation practice, prior art and searching, training, prosecution changes, and enhancements to improve patent durability. Budgeted requirements for FY 2025 comprise necessary funding for the Patent Program's priorities, including mission-critical, multivendor contract support.

The patent application process begins when the USPTO receives the application. This marks the onset of the pre-examination stage. Patent anticipates receiving 609,400 utility, plant, and reissue (UPR) applications in FY 2025, including 477,000 serialized applications. These estimates represent a 2.1% growth in UPR applications and a 1.5% growth in serialized applications over the previous year.

Resources for the pre-examination function allow the agency to conduct an administrative review, determining applications' compliance with requirements for form, content, adequacy, and payment of appropriate fees for paper and electronic filings. Paper filings, which represent about 1% of new applications, require additional resources for the agency to convert the files to electronic images. This process includes assigning the official filing date and patent application tracking number and entering the patent bibliographic data (e.g., filing date, priority date, and inventor(s) title(s)) into the Patent Data Portal (PDP). Patent pre-examination resources also support the pre-grant publication process for applicable filings.

The examination stage is critical to the USPTO achieving many of its strategic and performance goals. Patent uses funding to support a highly educated and specialized workforce that produces the office actions needed to process patent applications. The USPTO will require resources to support the 557,000 UPR production units estimated for FY 2025. A staff of over 8,800 patent examiners, supported by management and contractors, IT tools, legal and policy resources, and training and quality investments, generates these units to maintain the USPTO's standards of excellence in patent examination.

The USPTO remains committed to emphasizing quality and training, enabling a continued focus on issuing reliable and predictable patents. The terms "reliable" and "predictable" apply to patents the USPTO issues in compliance with all the requirements of title 35 of the U.S. Code (U.S.C.) as well as the relevant case law at the time of issuance. The USPTO continues to develop patent examining staff by investing in a range of opportunities for technical and legal training. These opportunities include training on subjects related to 35 U.S.C. section 101, 35 U.S.C. section 102, 35 U.S.C. section 103, 35 U.S.C. section 112, and search. The USPTO continues to run programs to train stakeholders on USPTO practices and procedures to improve applicant submissions, including initial filings and USPTO action responses, as well as collaboration between applicants and examiners. The USPTO's quality assurance program remains the agency's foundation for assessing its multiple efforts to improve reliability and consistency. Under this program, the USPTO reviews a random sample of patent examiners' work products to provide timely, reliable, and meaningful indicators of examination quality.

Patents needs resources to continue the activities required for post-examination processing, which takes place after examiners have allowed applications and issue fees have been paid. These resources will support the current FY 2025 estimate of 330,600 patents being prepared by the USPTO for issuance, printing, and publication in a weekly edition of the electronic Official Gazette for dissemination to the public. Post-issue activities also include reissues, reexaminations, certificates of correction, the processing of withdrawals, and assignments.

Council for Inclusive Innovation

The USPTO established the CI² to support all future American innovators. The council, which comprises representatives from industry, academia, and government, helps to guide the USPTO in developing a comprehensive national strategy for building a more diverse and inclusive innovation ecosystem by encouraging participation demographically, geographically, and economically.

Patent Trials and Appeals

The USPTO's PTAB manages dual jurisdictions, adjudicating ex parte appeals of examiners' final rejections and conducting AIA trial proceedings (inter partes reviews, post-grant reviews, the transitional program for covered business method patents, and derivation proceedings). The PTAB is an administrative tribunal that consists of administrative patent judges (APJs) whose work contributes significantly to the issuance of reliable and predictable patents. The PTAB projects it will receive approximately 5,140 appeals in FY 2025. The FY 2025 base resources fund the legal staffing and support the PTAB needs to meet statutory requirements, aligning capacity with projected workloads to meet objectives continuously. These base resources enable the PTAB to reach and maintain pendency for three activities:

- The AIA trials which, by statute, must have a decision on whether to institute trial within three months of the patent owner filing a preliminary response and which the PTAB must adjudicate within one year of instituting a trial;
- Reexamination appeals which, by statute, must be completed with "special dispatch"; and
- Ex parte appeals. Although ex parte appeals do not have a timeliness requirement, the PTAB remains committed to reducing the inventory of open cases and remains committed to maintaining a strategic inventory level, hiring APJs as needed to support workload projections, clearing the oldest cases, and reassigning judges according to the greatest need.

The PTAB strives to issue reliable and timely decisions by using these resources for judicial and legal staffs, systematic training, data analytics, and trial-related studies. The PTAB is focused on enhancing decisional quality and educating and engaging stakeholders.

The base program also supports the PTAB Pro Bono Program, which the PTAB Bar Association administers and which matches under-resourced inventors with volunteer patent practitioners for free legal assistance with ex parte appeal matters. The USPTO fully launched the program in FY 2022, and the PTAB plans to expand the PTAB Pro Bono Program to cover AIA trial matters. PTAB proceedings are often intimidating for under-resourced or inexperienced inventors and can place a hefty burden on their ability to practice their inventions. The USPTO aims to provide equity in all aspects of the IP system and prioritizes expanding pro bono legal resources to appeals and post-grant matters.

Patent Information Resources

This activity includes funding for the Patent Information Resources function, which supports the USPTO's enterprise technology objective of achieving world-class resiliency. Patent Information Resources also supports the following Patents product line key objectives:

- Improve the patent filing experience;
- Increase patent data quality;
- Increase access to prior art;
- Improve business operational efficiency through cloud migration; and
- Expand the availability and improve the quality of PTAB data to mitigate operational and reputational risk.

Cross-Cutting Functions – Allocated

This sub-activity represents cross-cutting management and support activities that enable the Patent Program to accomplish its goals. These activities can be directly related to Patents, such as Office of Human Resources activities dedicated to recruiting patent examiners and APJs, or cross-cutting functions dedicated to overall USPTO activities, such as IP policy or financial management. The Budget describes these activities in the Cross-Cutting Functions section. The USPTO allocates these costs to the Patent Program based on the agency's Activity Based Information (ABI) analysis and results.

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PATENT PROGRAM
PROGRAM CHANGES FOR 2025**
(Dollar amounts in thousands)

		2025 Base		2025 Estimate		Increase/Decrease from 2025 base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount
Patent Examining	Pos./Obl.	10,864	2,821,933	11,256	2,835,271	392	13,339
	FTE	10,615		10,743		128	
Patent Examiner New Hires	Pos./Obl.	10,864	2,288,211	11,256	2,288,744	392	533
	FTE	10,615		10,743		128	
Overtime / Production Incentives	Pos./Obl.		157,763		168,828	-	11,065
	FTE					-	
Workload Processing Contracts	Pos./Obl.		375,959		377,699	-	1,740
	FTE					-	
Patent Trial and Appeals	Pos./Obl.	413	89,644	413	89,622	-	(22)
	FTE	352		352		-	
Patent Information Resources	Pos./Obl.	178	162,612	184	158,582	6	(4,029)
	FTE	170		175		5	
Direct Total, Patent Program	Pos./Obl.	11,455	3,074,189	11,853	3,083,476	398	9,287
	FTE	11,137		11,270		133	

Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PATENT PROGRAM
PROGRAM CHANGES FOR 2025–2029
(Dollar amounts in thousands)

		2025		2026		2027		2028		2029	
		Increase/Decrease		Increase/Decrease		Increase/Decrease		Increase/Decrease		Increase/Decrease	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Patent Examining	Pos./Obl.	392	13,339	888	51,139	1,237	100,773	1,529	147,958	1,811	199,617
	FTE	128		500		975		1,278		1,611	
Patent Examiner New Hires	Pos./Obl.	392	533	888	35,610	1,237	81,065	1,529	121,300	1,811	164,795
	FTE	128		500		975		1,278		1,611	
Overtime / Production Incentives	Pos./Obl.		11,065		16,159		23,983		30,488		37,216
	FTE										
Workload Processing Contracts	Pos./Obl.		1,740		(630)		(4,276)		(3,830)		(2,394)
	FTE										
Patent Trial and Appeals	Pos./Obl.	-	(22)	-	(61)	-	(114)	-	(168)	-	(223)
	FTE	-		-		-		-		-	
Patent Information Resources	Pos./Obl.	6	(4,029)	6	(9,702)	6	(13,345)	6	(17,026)	6	(20,747)
	FTE	5		6		6		6		6	
Direct Total, Patent Program	Pos./Obl.	398	9,287	894	41,377	1,243	87,314	1,535	130,764	1,817	178,647
	FTE	133		506		981		1,284		1,617	

Sub-Activity: Patent Examining

Patent Examining (\$13.3 Million and +128 FTEs/392 Positions): In FY 2025, the Patent Examining program change and base resources will provide funding to ensure the high-quality and timely examination of patent applications, leading to the USPTO issuing reliable and predictable patents. The requirements will also enhance the CX by ensuring the accuracy, consistency, and reliability of patent examination, thereby increasing the value of the patent to the inventor. The requirements also support the DOC's strategic objective of promoting accessible, strong, and effective IP rights to advance innovation, creativity, and entrepreneurship.

The USPTO remains committed to processing patent applications promptly and has established patent timeliness goals based on PTA time frames. Reducing the number of patents that receive PTAs provides consistently shorter pendency for all applications and gives applicants greater certainty of the timeliness of their own cases. These resources will allow the USPTO to process incoming work for which fees have been paid.

Assuming Patents successfully executes planned hiring, workload, and productivity levels in FY 2024 and FY 2025, these program requirements collectively will enable Patents to:

- Address 477,000 new serialized applications (609,400 UPR applications are expected to be filed in FY 2025), 1.5% above the projected FY 2024 level;
- Hold the current unexamined UPR inventory at approximately 817,900 by the end of FY 2025;
- Continue to provide timely examination of patent applications by maintaining total PTA compliance for all mailed actions at 80% in FY 2025; and
- Maintain total PTA compliance for all remaining inventory at 81% in FY 2025.

Performance Measures	2025	2026	2027	2028	2029
Total PTA Compliance – all mailed actions (percent)	80	80	80	80	80
Total PTA Compliance – remaining inventory remaining inventory	81	80	80	80	81
Without Funding:					
Total PTA Compliance – all mailed actions (percent)	79	78	77	76	76
Total PTA Compliance – remaining inventory (percent)	80	79	77	76	74
Outyear Costs:					
Direct Obligations	13,339	51,139	100,773	147,958	199,617
FTE	128	500	975	1,278	1,611
Positions	392	888	1,237	1,529	1,811

Patent Examiner New Hires: In FY 2025, the USPTO will continue to calibrate the size of the patent examining staff with projected application filings and desired performance results, as documented by patent production modeling. The USPTO projects serialized patent application filings will increase by 1.5% in FY 2025 and, beginning in FY 2026, remain consistent at 1.0% annually through the budget horizon. The USPTO plans to hire 850 UPR patent examiners in FY 2025 and 700–900 patent examiners annually from FY 2026 through FY 2029. Approximately 400 attritions offset these hires annually. The increased workforce is based on filing trends and planned investments in enhanced quality—particularly, the issuance of reliable and predictable patents. The patent examiner corps comprises a highly technical workforce, and the Patent Program changes will also fund the USPTO’s continued investment in competitive examiner compensation and recruitment incentives through the budget horizon. These continued investments will help the USPTO to meet expanded examination capacity needs while combating an increasingly competitive STEM job market. This funding will allow the USPTO to continue to connect a diverse, elite STEM talent pool with fulfilling federal careers to meet the growing demand for reliable patent services.

The production model considers this revised incoming work as well as the revised output of examiners. The careful calibration of quality, workload, and hires will enable the USPTO to continue making progress on its PTA targets while enabling continued financial sustainability.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	533	35,610	81,065	121,300	164,795
Budget Authority	533	35,610	81,065	121,300	164,795
FTE	128	500	975	1,278	1,611
Positions	392	888	1,237	1,529	1,811

Council for Inclusive Innovation (CI²): In FY 2025, the USPTO will fund programming that expands on the efforts to increase participation in the innovation ecosystem by encouraging, empowering, and supporting all future innovators, including women and other underrepresented groups. This program change will support the USPTO’s CI2 objective by expanding the programming for IP community outreach campaigns. This program change will also leverage the USPTO’s nationwide workforce as a powerful tool for educating local communities on the importance of IP as well as achieving the goal of increasing IP literacy and participation in the innovation ecosystem across our nation’s population. USPTO IP ambassadors will engage with new audiences on the importance of protecting ideas and brands to help to foster new businesses and economic activity. In addition, this funding will support a laptop reuse partnership initiative and paid internship programs for community college and four-year college students to broaden the inclusion of underrepresented groups by providing a curriculum that will encourage students to seek full-time employment in the IP and innovation ecosystem.

Overtime/Production Incentives: The USPTO uses overtime and production incentives to continue to align production with workload demand. Each overtime hour worked ties directly to production output, as do production incentives. As such, overtime has proven to be more efficient on a per-hour basis than equivalent regular-time hours, which must also incorporate the costs of training, employee leave, and other employee benefits. Funding the full amount of examiner overtime and other production incentives is essential to achieving PTA and inventory goals. The inherent flexibility of overtime allows Patents to expand its production capacity easily while also maintaining optimal staffing levels.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	11,065	16,159	23,983	30,488	37,216
Budget Authority	11,065	16,159	23,983	30,488	37,216
FTE	0	0	0	0	0
Positions	0	0	0	0	0

Workload Processing Contracts: Patents uses contractor support to manage the application and issuance processes. The contract costs are based on the number of applications, examiner production, and granted patents. Specifically, Patents uses these contracts for:

- Front-end processing of newly filed applications, incoming documents, and outgoing documents and quality assurance of electronic filings based on the increase in electronically filed applications and the number of pages per application;
- Data capture of applications subject to publication at 18 months as a pre-grant publication;
- Pre-grant publication and initial classification services whereby a contractor classifies all incoming applications once they have been through the initial security review; and
- Patent publication, which includes capturing granted patents data and generating both a text-searchable file and an image file for electronic dissemination.

Additionally, Patents will use funding for information security system officers to support the workload contracts, establish security and privacy policies, and protect information.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	1,740	(630)	(4,276)	(3,830)	(2,394)
Budget Authority	1,740	(630)	(4,276)	(3,830)	(2,394)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

Sub-Activity: Patent Trials and Appeals

PTAB Production and AIA Workload (-\$22.0 Thousand and 0 FTEs/0 Positions): For FY 2025 through FY 2029, the PTAB projects that costs will decrease slightly due to efficiencies found in savings via non-compensation that are below the allowed inflationary adjustments.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(22)	(61)	(114)	(168)	(223)
Budget Authority	(22)	(61)	(114)	(168)	(223)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
APPEALS							
Incoming appeals (Ex parte appeals)	4,413	4,501	4,569	4,615	4,661	4,708	4,755
Appeals disposed	4,785	4,680	4,757	4,566	4,511	4,511	4,511
Appeal inventory/backlog (Ex parte appeals)	4,231	4,052	3,864	3,913	4,063	4,260	4,504
Board months of inventory	12	11	10	10	10	11	11
AIA TRIAL							

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
AIA petitions filed	1,246	1,271	1,290	1,303	1,316	1,329	1,342
AIA petitions disposed	1,390	1,314	1,288	1,289	1,305	1,317	1,330
ADMINISTRATIVE PATENT JUDGES							
Total APJs and PAs (incl. executive APJs and vacancies)	301	301	301	301	301	301	301

Sub-Activity: Patent Information Resources

Patents Product Line (-\$4.0 Million and 5 FTEs/6 Positions): The Patents product line will focus on the following objectives:

- **Improve the Patent Filing Experience:** Based on customer feedback, modernizing the USPTO's patent filing system by using new technologies, new filing capabilities (e.g., DOCX application types), and filing assistance promotes a better user experience for agency stakeholders.
- **Increase Patent Data Quality:** Improving patent data quality through the full patent application life cycle will reduce operational costs over time and improve the timeliness and quality of published grants.
- **Increase Access to Prior Art:** Providing search stakeholders with new technologies, including AI, increased prior art collections, and automation efficiencies, will improve the CX.
- **Improve Business Operational Efficiency through Cloud Migration:** Leveraging cloud infrastructure for the Patents product line will improve resiliency and system performance across the patent application life cycle, reduce operational disruptions, and improve security posture.
- **Expand the Availability and Improve the Quality of PTAB Data to Mitigate Operational and Reputational Risk:** Providing increased access to complete, accurate case data and promoting more case decision transparency and consistency will increase operational efficiency and better communicate PTAB case outcomes and statistics.

[Appendix III](#) to this Budget contains additional information about Patents' planned IT activities.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(4,029)	(9,702)	(13,345)	(17,026)	(20,747)
Budget Authority	(4,029)	(9,702)	(13,345)	(17,026)	(20,747)
FTE	5	6	6	6	6
Positions	6	6	6	6	6

Additional information regarding schedules, milestones, and deliverables can be found in the USPTO's Exhibit 300 submissions located on the [Federal IT Dashboard](#).

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM CHANGE PERSONNEL DETAIL**

Activity: Patents
Subactivity:
Program Change:

Full-time permanent Title:	Grade	Number	Annual Salary	Total Salaries
Patent Examiner	7	460	86,658	39,862,680
Patent Examiner	9	340	90,774	30,863,160
Patent Examiner	11	85	97,360	8,275,600
Patent Attritions	Various	(507)	139,163	(70,555,478)
Patent Examiner Support Positions	Various	14	101,344	1,418,815
IT Specialists	Various	6	168,129	1,008,773
Total		398		10,873,550
Less lapse	66%	(264)		(10,896,137)
Total full-time permanent (FTE)		133		(22,587)
2025 Pay Adjustment (2%)				22,753
Total				166

Personnel Data Summary

Full-Time Equivalent Employment				
Full-time permanent		133		
Other than full-time permanent		-		
Total		133		
Authorized Positions:				
Full-time permanent		398		
Other than full-time permanent		-		
Total		398		

Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Direct Obligations amounts in thousands)

Activity: Patent Program

Object Class	2023 Actual	2024 Current	2025 Base	2025 Estimate	2025 Increase/Decrease from 2025 base
11 Personnel compensation					
11.1 Full-time permanent	1,456,152	1,601,404	1,719,182	1,719,348	166
11.3 Other than full-time permanent	-	-	-	-	-
11.5 Other personnel compensation	136,378	160,151	162,448	173,514	11,065
11.8 Special personnel services payments	-	-	-	-	-
11.9 Total personnel compensation	1,592,530	1,761,555	1,881,630	1,892,861	11,231
12 Civilian personnel benefits	551,557	623,513	664,366	664,733	367
13 Benefits for former personnel	-	-	-	-	-
21 Travel and transportation of persons	1,460	7,204	7,349	7,398	50
22 Transportation of things	2	13	13	13	0
23.1 Rental payments to GSA	-	-	-	-	-
23.2 Rental payments to others	26	-	-	-	-
23.3 Communications, utilities and miscellaneous charges	288	301	307	305	(2)
24 Printing and reproduction	198,180	183,055	186,716	186,359	(357)
25.1 Advisory and assistance services	50,812	55,744	56,859	56,622	(237)
25.2 Other services	87,437	80,685	82,298	83,356	1,058
25.3 Purchases of goods & services from Gov't accounts	173	100	102	100	(2)
25.4 Operation and maintenance of facilities	-	-	-	-	-
25.5 Research and development contracts	-	-	-	-	-
25.6 Medical Care	-	-	-	-	-
25.7 Operation and maintenance of equipment	57,628	139,139	141,923	138,154	(3,769)
25.8 Subsistence and support of persons	-	-	-	-	-
26 Supplies and materials	45,602	48,538	49,509	50,463	954
31 Equipment	64,412	606	618	612	(6)
32 Lands and structures	-	-	-	-	-
33 Investments and loans	-	-	-	-	-
41 Grants, subsidies and contributions	-	-	-	-	-
42 Insurance claims and indemnities	437	-	-	-	-
43 Interest and dividends	-	2	2	2	(0)
44 Refunds	2,248	2,448	2,497	2,497	0
99 Total obligations	2,652,793	2,902,904	3,074,189	3,083,476	9,287

TRADEMARK PROGRAM

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**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS**
(Dollar amounts in thousands)

Activity: Trademark Program

Line Item		2023 Actual		2024 Current		2025 Base		2025 Estimate		Increase/Decrease from 2025 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Trademark Examining	Pos./Obl	1,164	219,295	1,180	276,021	1,180	293,215	1,224	293,183	44	(32)
	FTE	961		1,158		1,172		1,210		38	
Trademark Appeals and Inter Partes Proceedings	Pos./Obl	91	16,605	96	22,950	96	23,367	100	24,457	4	1,090
	FTE	71		96		96		100		4	
Trademark Information Resources	Pos./Obl	73	59,199	83	59,373	83	60,958	84	50,332	1	(10,626)
	FTE	54		78		76		77		1	
Subtotal Direct	Pos./Obl	1,328	295,100	1,359	358,344	1,359	377,539	1,408	367,972	49	(9,567)
	FTE	1,087		1,331		1,344		1,387		42	
Cross Cutting Functions - Allocated	Pos./Obl	322	185,105	327	229,448	327	236,538	331	225,688	4	(10,850)
	FTE	257		299		305		309		4	
Total	Pos./Obl	1,649	480,205	1,685	587,792	1,685	614,077	1,738	593,660	53	(20,417)
	FTE	1,344		1,631		1,650		1,696		46	

Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
JUSTIFICATION OF PROGRAM AND PERFORMANCE
(Dollar amounts in thousands)

Activity: Trademark Program

Goal Statement

The USPTO's Trademark Program carries out the USPTO's mission by delivering trademark services that promote inclusive innovation and by partnering domestically and globally to educate and advise on ways to deter IP violations and fraudulent behavior in accordance with laws, regulations, and practices.

Base Program

The Trademark Program performs a valuable function by identifying the source of products and services and serving as a reliable indicator of quality to the consumer. By registering trademarks, the USPTO has a significant role in protecting consumers, as well as in providing important benefits to American businesses by allowing them to strengthen and safeguard their brands and related investments. Examining trademark applications consists of the activities shown in the following schematic and the major functions described below.

Statement of Operating Objectives

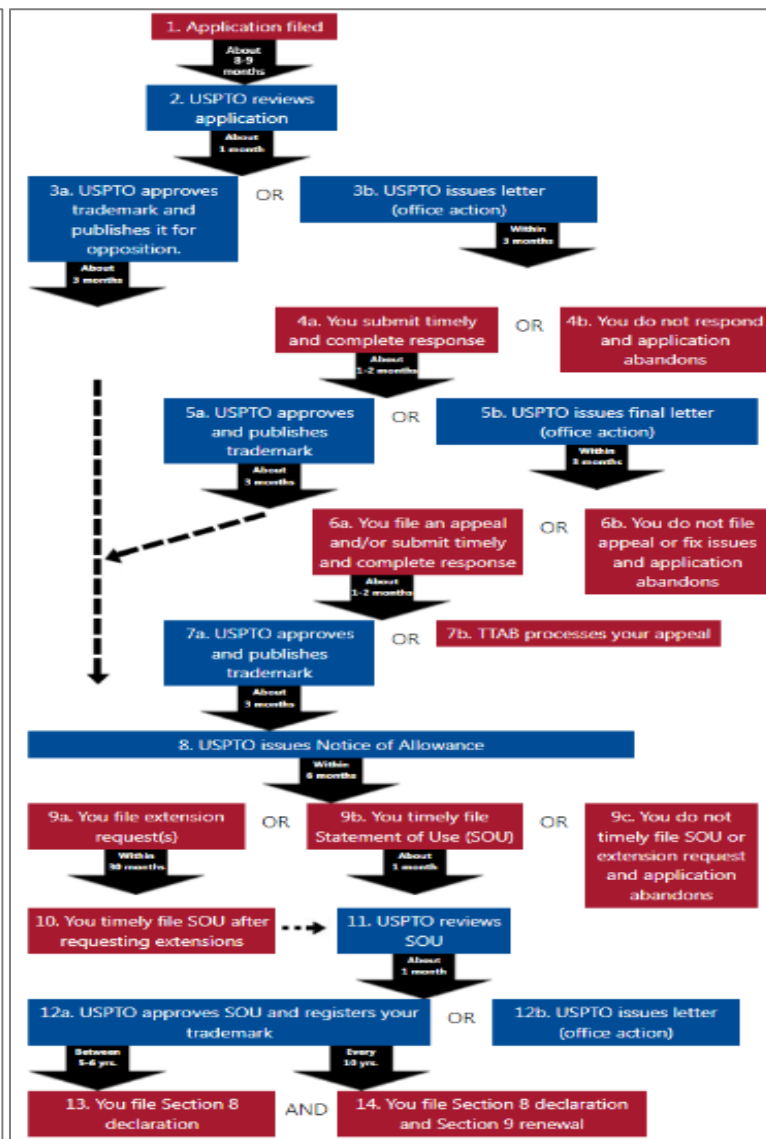
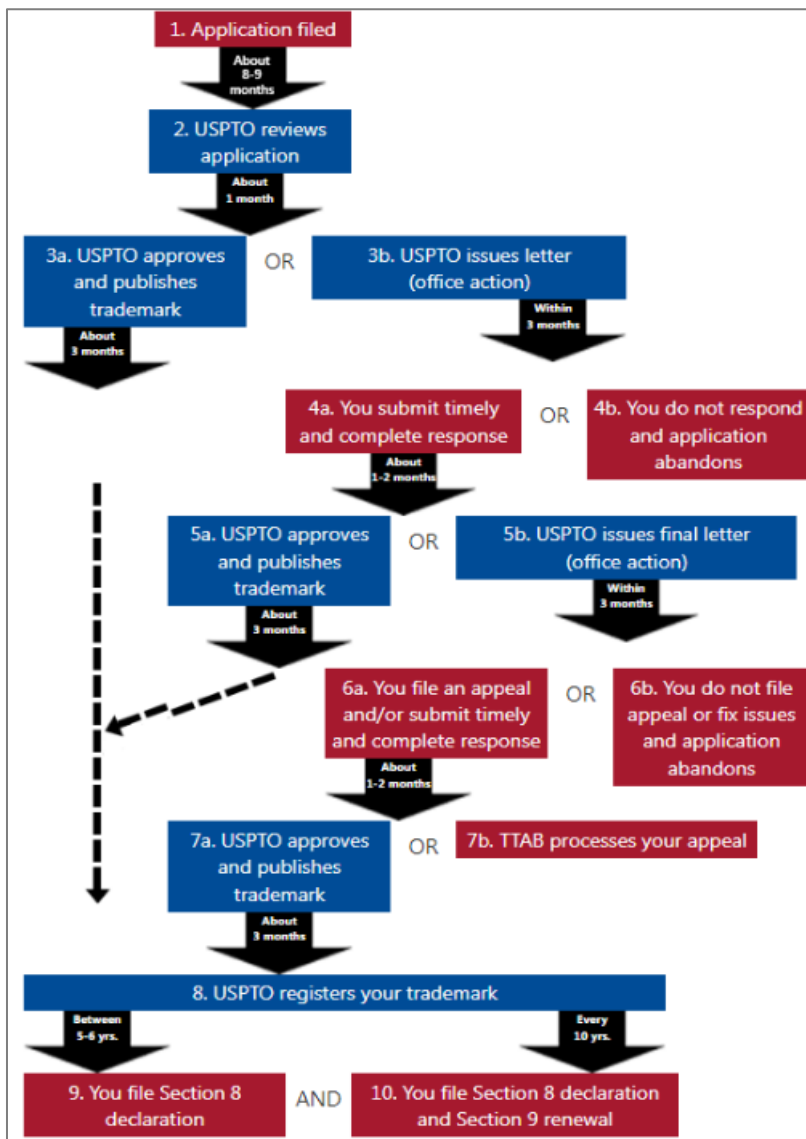
Some of the Trademark Program's major objectives are:

- Protect the integrity of the Trademark Register.
- Improve trademark application pendency.
- Optimize trademark application processes to enable efficiencies for applicants and other stakeholders.

Trademark Process

Section 1a. Timeline: Application based on use in commerce

Section 1b. Timeline: Application based on intent to use



Line Item		<u>Explanation and Justification</u>					
		2023		2024		2025	
		Actual		Current		Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount
Trademark Examining	Pos./Obl.	1,164	219,295	1,180	276,021	1,180	293,215
	FTE	961		1,158		1,172	
Trademark Trial and Appeals	Pos./Obl.	91	16,605	96	22,950	96	23,367
	FTE	71		96		96	
Trademark Information Resources	Pos./Obl.	73	59,199	83	59,373	83	60,958
	FTE	54		78		76	
Cross Cutting Functions - Allocated	Pos./Obl.	322	185,105	327	229,448	327	236,538
	FTE	257		299		305	
Total	Pos./Obl.	1,649	480,205	1,685	587,792	1,685	614,077
	FTE	1,344		1,631		1,650	

Trademark Program

For FY 2025, the USPTO base totals \$614 million and 1,650 FTEs/1,685 positions for the Trademark Program.

Proposed Trademark Fee Adjustments

As a fully fee-funded agency, the USPTO must periodically assess and adjust fee rates to ensure aggregate fee collections finance the aggregate costs necessary to maintain accurate and reliable trademarks. The agency recently completed a comprehensive trademark fee review, with the conclusion that fee adjustments are necessary to increase aggregate revenue (fee collections) and to refine certain fees to finance ongoing operations efficiently.

As part of the trademark fee review, the USPTO evaluated the financial outlook under the existing fee schedule and conducted significant research on and analysis of proposed revisions to certain fees. The financial outlook has two principal themes. First, forecasts for aggregate revenue using current demand estimates are lower than prior forecasts. Lower-than-expected demand is coinciding with changes to trademark filing and renewal patterns, resulting in some imbalances in the overall fee structure. Second, the broader U.S. economy has experienced higher-than-expected inflation over the last two years, and this, in turn, has increased the USPTO's operating costs. Consequently, aggregate operating costs will exceed aggregate fee collections for the Trademarks business line. The USPTO will finance this operating shortfall using existing OR balances until the agency implements a new fee schedule that increases fee collections.

Trademark fee collection estimates included in this Budget are based on proposed trademark fee adjustments presented in a June 2023 public hearing, with an assumed effective date of November 23, 2024. The proposed fee rates will increase projected fee collections by about \$150 million per year, once fully implemented.

Trademark Examining

The USPTO plays a critical role in notifying the public of marks that are being used or that applicants plan to use in the future through the agency's online databases of registered and pending trademarks. Prior to filing an application for registration or establishing or investing in a mark, business owners can survey marks currently in use or proposed for use by using support services or online resources available to customers who are preparing to file their applications with the USPTO. These support services consist of the public search rooms located at the USPTO's facilities in Alexandria, Virginia; the Patent and Trademark Resource Centers (formerly Depository Libraries) located across the country; the USPTO's online information about trademark basics and how-to videos; frequently asked questions, manuals, search systems, and electronic filings; and a customer service call center operated by the Trademark Assistance Center.

The USPTO electronically files and processes trademark applications for registering a mark. When the USPTO receives an application, it subjects the proposed mark to a quality review process. During that process, Trademarks reviews the electronically tagged application data to add the international classification and design search codes that facilitate searching and examination. Trademark electronic automated systems automatically transfer the tagged data in a trademark application to the appropriate data fields. Trademark automated systems are the source of application and registration data the USPTO uses while processing, examining, and maintaining registered trademarks; the information the agency makes available to the public through www.uspto.gov; and the information in the Official Gazette, which the USPTO publishes electronically and which provides notice of marks approved by examining attorneys, marks registered following commencement of use, and registrations maintained by registrants. Input processing also encompasses the processing of international applications filed under the Madrid Protocol.

One of the USPTO's more than 700 trademark examining attorneys determines whether the mark in each newly filed application is entitled to registration under the provisions of the Trademark Act of 1946, as amended. As part of this process, the examining attorney conducts a search of prior filed and registered marks to evaluate whether a conflict exists between the mark in the application and a previously filed application or registration. Examining attorneys evaluate many types of marks, such as trademarks, service marks, certification marks, and collective membership marks against the criteria for registrability set out in the Trademark Act of 1946, as amended. The examining attorney searches a database of more than three million registered marks and 1.2 million pending marks to determine whether the mark in the subject application is confusingly similar to an existing mark. Based upon this evaluation, examining attorneys make a determination to approve or deny an application for registration.

Trademarks publishes an approved application prior to registration to notify interested parties who may file an opposition to registration. Trademarks registers marks if their use in commerce is unopposed or if they survive any filed opposition. Marks filed based on intent to use receive a notice of allowance following the opposition period if they are unopposed or if they survive any filed opposition.

Registration occurs following the USPTO's issuance of a notice of allowance and the applicant's subsequent filing and acceptance of a Statement of Use.

Quality and Training are important components of the examination process. Trademarks integrates the resources required for high-quality examination and registration of trademark applications into the total examination costs.

Under the quality assurance program, Trademarks reviews the results of an examining attorney's first and final office actions for the quality of the substantive basis for decision-making, search strategy, evidence, and writing. Based on the data Trademarks collects from these reviews, the USPTO has targeted both electronic and traditional training initiatives addressing specific areas for improvement. The USPTO ensures all examining attorneys possess the knowledge, skills, and abilities necessary to perform their jobs as part of the agency's commitment to improving examination quality. For example, examining attorneys can take a series of self-paced e-learning tutorials. Trademarks also implements new e-learning modules throughout the year based on topics the program identifies through quality review evaluations.

Trademarks continues its efforts to improve quality in a cost-effective manner. To raise the bar, Trademarks has instituted an Exceptional Office Action, which emphasizes comprehensive excellence in office actions and expands upon the existing first and final action standards for correct decision-making. An Exceptional Office Action reflects correct decision-making, includes excellent evidentiary support, and is exceptionally well written.

Policy and Legal are critical components of the trademark examination process. Policy and legal processes consist of establishing trademark examination policy standards; serving as the authority on trademark laws, rules, and examining practices and procedures; implementing treaty obligations; implementing judicial and Trademark Trial and Appeal Board (TTAB) decisions; publishing rules for public comment and final rules; and maintaining the Trademark Manual of Examining Procedure. Trademarks includes the costs of performing these functions in the examination costs.

Owners can maintain trademark registrations indefinitely, as long as the registered mark is in use under the Trademark Act of 1946, as amended. Registrations for marks on the Principal and Supplemental Registers require periodic renewal every 10 years. To maintain rights to a mark, between the fifth and sixth years from the date of registration, the owner must file an affidavit attesting to the use of the registered mark. To renew a trademark registration, the owner must again file an acceptable affidavit of use and an application for renewal within one year before the end of every 10-year registration period. Owners of marks on the Principal Register can also make a claim of incontestability to claim exclusive rights after the mark has been in continuous use in commerce for a period of five consecutive years after the registration date. The owner can also file requests to correct or amend a trademark registration.

Trademarks examines filings for completeness and compliance with statutory requirements. To ensure the accuracy of registered marks, the USPTO conducts a random audit of marks submitted for maintenance or renewal to verify that goods and services continue to be used in commerce. Failure to file the required affidavit and proof of use or to substantiate use when audited results in the USPTO

canceling the registration. These requirements serve to remove trademarks from the register when the marks are no longer in use to facilitate others' clearance and selection of marks.

Trademark Trials and Appeals

Administrative Trademark Judges (ATJs) on the TTAB review examining attorneys' adverse registrability determinations (refusals of registration) when applicants appeal adverse determinations. The ATJs also conduct and decide opposition (trial) proceedings when an interested party believes it will be harmed by, and therefore challenges, the registration of a published mark as well as when trial proceedings (cancelations) involve registrations in which a third party wishes to challenge the validity of, or restrict, a registration.

Trademark Information Resources

The Trademark Information Resources function supports the USPTO's enterprise technology objective of achieving world-class resiliency. Trademark Information Resources also supports the following Trademarks product line key objectives:

- Reduce trademark pendency in examination and prosecution;
- Improve the efficiency of trademark customers' filing experiences; and
- Create a new trademark platform and retire the Trademark Reporting and Monitoring (TRAM) system.

Cross-Cutting Functions – Allocated

This sub-program represents cross-cutting management and support activities that enable the Trademark Program to accomplish its goals. These activities can be directly related to Trademarks (for example, Office of Human Resources activities in support of recruiting trademark examining attorneys and APJs) or cross-cutting functions dedicated to overall USPTO activities (for example, IP policy or financial management). The Budget describes these activities in the Cross-Cutting Functions section. The USPTO allocates these costs to the Trademark Program based on the agency's ABI analysis and results.

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
Trademark Program
PROGRAM CHANGES FOR 2025**
(Dollar amounts in thousands)

		2025 Base		2025 Estimate		Increase/Decrease from 2025 base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount
Trademark Examining	Pos./Obl.	1,180	293,215	1,224	293,183	44	(32)
	FTE	1,172		1,210		38	
Trademark Trial and Appeals	Pos./Obl.	96	23,367	100	24,457	4	1,090
	FTE	96		100		4	
Trademark Information Resources	Pos./Obl.	83	60,958	84	50,332	1	(10,626)
	FTE	76		77		1	
Direct Total, Trademark Program	Pos./Obl.	1,359	377,539	1,408	367,972	49	(9,567)
	FTE	1,344		1,387		42	

**Department of Commerce
U.S. Patent and Trademark Office
TRADEMARK PROGRAM
PROGRAM CHANGES FOR 2025–2028**
(Dollar amounts in thousands)

		2025		2026		2027		2028		2029	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Trademark Examining	Pos./Obl.	44	(32)	110	22,682	160	29,824	215	41,989	266	52,813
	FTE	38		111		153		200		252	
Trademark Trial and Appeals	Pos./Obl.	4	1,090	8	1,894	12	3,043	12	3,446	12	3,550
	FTE	4		7		11		12		12	
Trademark Information Resources	Pos./Obl.	1	(10,626)	2	(11,596)	3	(12,807)	4	(14,031)	4	(15,271)
	FTE	1		2		3		4		4	
Direct Total, Trademark Program	Pos./Obl.	49	(9,567)	120	12,980	175	20,060	231	31,403	282	41,092
	FTE	42		120		167		216		268	

Sub-Activity: Trademark Examining

Trademark Examining (-\$.03 Million and +38 FTEs/44 Positions): In FY 2025, the Trademark Examining program change and base resources will align trademark application examination capacity with estimated workloads and enhance the quality of legal services. To handle the expected increase in workloads, the USPTO is continuing hiring examining attorneys at a steady state, as well as piloting a program that adds provisional, flexible workforce capacity via non-attorneys to address the high inventory levels more quickly. The USPTO plans to hire approximately 80 trademark examining attorneys in FY 2025. Approximately 30 annual attritions partially offset these hires. Conversely, Trademarks’ non-compensation and contractual services needs have decreased in areas such as examination surge support from contractors and trademark examination process reengineering and optimization. Collectively, these factors have resulted in an overall negative trademark examining program initiative.

First action pendency measures the time between when the USPTO first receives a trademark application and when an examining attorney first reviews the application. Prior to FY 2021, Trademarks routinely issued first actions on newly filed applications in less than 3.5 months annually, dating back to 2007. Following the unexpected surge in filings during the pandemic, unexamined inventory reached a record high and pendency increased sharply to 8.5 months. With dedicated and concerted efforts, the USPTO managed to stabilize pendency and inventory in FY 2023, and the agency is projecting significant improvements in the future, lowering the pendency target to 7.5 months in FY 2025. The gradual pendency adjustment recognizes that working through the unprecedented surge and backlog will take several years. Moreover, an increase in fraudulent behavior has made the examination process more complex and time-consuming, which compounds the pendency challenge. Trademarks projects a 4.6% increase in application filings in FY 2025 and growth rates ranging from 5.6%–5.7% over the remainder of the planning horizon. This program change addresses the need to balance forecasted new filings and workload, existing inventories, and examination capacity. These resources are necessary to accomplish the strategic goal of optimizing trademark quality and timeliness, which is a critical part of the DOC’s strategic objective of promoting strong and effective IP rights.

Performance Measures:	2025	2026	2027	2028	2029
First Action Pendency (months) with increase	7.5	6.3	5.9	5.5	4.9
First Action Pendency (months) without increase	9.3	9.5	10.4	11.3	11.7
Outyear Costs:					
Direct Obligations	(32)	22,682	29,824	41,989	52,813
Budget Authority	(32)	22,682	29,824	41,989	52,813
FTE	38	111	153	200	252
Positions	44	110	160	215	266

Sub-Activity: Trademark Appeals and Trial Proceedings

TTAB Staffing (+\$1.1 Million and +4 FTEs/4 Positions): The USPTO requires an increase of \$1.1 million and four positions to handle projected workload increases in ex parte appeals and trial cases in FY 2025. This request includes two new ATJs and two new interlocutory attorneys to manage the growth of the TTAB’s workload, which follows directly from increased trademark application filings. Additionally, the Trademark Modernization Act (TMA) created expungement and reexamination proceedings, which are new ways for stakeholders and the agency to cancel registrations for unused marks, in whole or in part. As stakeholders use these new proceedings more, the TTAB expects the number of appeal proceedings to increase. These additional resources will ensure the TTAB can continue to conduct timely and high-quality appeals and trial cases.

Historically, when workloads have increased, adding ATJ FTEs has proven to be critical to bringing and keeping the TTAB closer to its goals. In FY 2025 and beyond, the proposed additional ATJ FTEs will again be critical to allowing the TTAB to meet its goals and enabling it to sustain pendency at expected levels.

Performance Measures <i>(in months)</i>	2025	2026	2027	2028	2029
Final Decision Pendency for Appeals with increase	<12	<12	<12	<12	<12
Final Decision Pendency for Appeals without increase	12-16	12-17	12-18	12-19	12-20
Final Decision Pendency for Trials with increase	<15	<15	<15	<15	<15
Final Decision Pendency for Trials without increase	15-20	15-21	15-22	15-23	15-24
Outyear Costs:					
Direct Obligations	1,090	1,894	3,043	3,446	3,550
Budget Authority	1,090	1,894	3,043	3,446	3,550
FTE	4	7	11	12	12
Positions	4	8	12	12	12

Sub-Activity: Trademark Information Resources

Trademark Information Resources (-\$10.6 Million and 1 FTEs/1 Position): The agency forecasts that in FY 2025 and over the budget horizon, Trademark Information Resources costs will decline annually due to retirement and modernization of legacy trademark IT systems. The Trademarks product line will focus on the following objectives:

- **Reduce Trademark Pendency in Examination and Prosecution:** Launching Trademark Exam (TM Exam) on a modernized platform will result in continuous improvements to the examination workflow and reduce the overall timeline for examination. Successful implementation will contribute to pendency reduction.
- **Improve Efficiency in the Trademark Customer Filing Experience:** Modernizing the agency’s trademark systems will improve the customer filing experience with Trademarks. The USPTO will know it is successful when it sees improved customer satisfaction feedback, reduced operational and support costs, and improved resiliency.
- **Create New Trademark Platform and Retire TRAM:** Replacing the legacy TRAM with Trademark Records Management (TRM) and supporting common services will result in reduced operational and support costs and improved resiliency and will enable trademark systems to leverage modern approaches. The USPTO will know it is successful when TRAM is retired.

[Appendix III](#) to this Budget contains additional information about planned IT activities for Trademarks.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(10,626)	(11,596)	(12,807)	(14,031)	(15,271)
Budget Authority	(10,626)	(11,596)	(12,807)	(14,031)	(15,271)
FTE	1	2	3	4	4
Positions	1	2	3	4	4

Visit the USPTO’s Exhibit 300 submissions located on the [Federal IT Dashboard](#) for additional information regarding schedules, milestones, and deliverables.

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM CHANGE PERSONNEL DETAIL**

Activity: Trademarks

Program Change:

Full-time permanent

Title:

	Grade	Number	Annual Salary	Total Salaries
Examining Attorney	11	74	82,679	6,118,230
Staff Attorney	15	2	163,796	327,593
Communications Manager	14	1	139,251	139,251
Budget/Program Analyst	14	1	139,251	139,251
TM Business Analyst – Innovation Division	14	1	139,251	139,251
Business Requirements Analyst	14	1	139,251	139,251
Testing & Operational Support	14	1	139,251	139,251
Management and Program Analyst	12	1	99,097	99,097
Biz Intelligence Analyst/Data Analyst	14	1	139,251	139,251
Program Analyst/Data Analyst	14	1	139,251	139,251
Data Analyst	14	1	139,251	139,251
Program Analyst (eFiling)	13	1	117,840	117,840
Director of IT Program/IT Trademark Administrator	15	1	180,174	180,174
TM Attritions	Various	(42)	117,840	(4,949,271)
Administrative Trademark Judge (ATJ)	AD	2	212,146	424,293
Interlocutory Attorney (IA)	15	2	193,042	386,084
 Total		<hr/> 49		<hr/> 3,818,049
less Lapse	13%	<hr/> (7)		<hr/> (551,788)
Total full-time permanent (FTE)		42		3,266,261
2025 Pay Adjustment (2%)				41,085
Total				<hr/> 3,307,346

Personnel Data Summary

Full-Time Equivalent Employment

Full-time permanent

Other than full-time permanent

Total FTE

Number

42

-

42

Authorized Positions:

Full-time permanent	49
Other than full-time permanent	-
Total Positions	<hr/> 49

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Direct Obligations amounts in thousands)**

Activity: Trademark Program

Object Class	2023 Actual	2024 Current	2025 Base	2025 Estimate	Increase/Decrease from 2025 base
11 Personnel compensation					
11.1 Full-time permanent	161,883	192,915	205,694	209,001	3,307
11.3 Other than full-time permanent	-	-	-	-	-
11.5 Other personnel compensation	16,363	28,927	30,692	30,692	-
11.8 Special personnel services payments	-	-	-	-	-
11.9 Total personnel compensation	178,246	221,842	231,264	239,694	8,429
12 Civilian personnel benefits	63,107	74,499	77,910	79,204	1,294
13 Benefits for former personnel	-	-	-	-	-
21 Travel and transportation of persons	220	419	427	419	(8)
22 Transportation of things	3	1	1	1	(0)
23.1 Rental payments to GSA	-	-	-	-	-
23.2 Rental payments to others	3	161	164	1	(163)
23.3 Communications, utilities and miscellaneous charges	2	8	8	8	(0)
24 Printing and reproduction	23	50	51	-	(51)
25.1 Advisory and assistance services	373	2,269	2,314	1,815	(499)
25.2 Other services	4,807	10,628	10,841	9,168	(1,673)
25.3 Purchases of goods & services from Gov't accounts	1	1,203	1,227	1,203	(24)
25.4 Operation and maintenance of facilities	-	-	-	-	-
25.5 Research and development contracts	-	-	-	-	-
25.6 Medical care	-	-	-	-	-
25.7 Operation and maintenance of equipment	35,929	44,456	45,345	33,400	(11,945)
25.8 Subsistence and support of persons	-	-	-	-	-
26 Supplies and materials	1,881	2,209	2,253	2,384	131
31 Equipment	9,852	45	46	122	76
32 Lands and structures	-	-	-	-	-
33 Investments and loans	-	-	-	-	-
41 Grants, subsidies and contributions	-	-	-	-	-
42 Insurance claims and indemnities	-	-	-	-	-
43 Interest and dividends	-	-	-	-	-
44 Refunds	652	555	566	555	(11)
99 Total obligations	295,100	358,344	377,539	367,972	(9,567)

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CROSS-CUTTING FUNCTIONS

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS**
(Dollar amounts in thousands)

Activity: Cross-Cutting Functions

		2023		2024		2025		2025		Increase/Decrease	
		Actual		Current		Base		Estimate		from 2025 Base	
Sub-Activity:		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Policy, External Affairs and Administrative Support	Pos./Obl	116	30,651	118	36,553	118	37,517	118	37,346	-	(171)
	FTE	92		118		119		119		-	
Global Intellectual Property Academy (GIPA)	Pos./Obl	19	4,318	19	5,323	19	5,433	19	5,401	-	(31)
	FTE	15		19		19		19		-	
IPR Attaché Program	Pos./Obl	3	15,471	4	17,308	4	17,648	4	17,318	-	(330)
	FTE	3		4		4		4		-	
Executive Direction and Communications	Pos./Obl	170	30,211	200	47,434	200	53,408	205	53,896	5	488
	FTE	68		156		182		188		6	
Financial Management Services	Pos./Obl	178	45,443	189	54,696	189	57,891	202	57,998	13	107
	FTE	135		185		189		199		10	
Human Resource Management and Administrative Services	Pos./Obl	302	56,778	317	71,730	317	76,082	326	78,989	9	2,906
	FTE	237		298		308		316		8	
Legal Services	Pos./Obl	139	32,993	141	39,183	141	40,217	141	40,116	-	(101)
	FTE	124		140		141		141		-	
Cross Cutting Functions Information Resources	Pos./Obl	158	106,775	118	117,078	118	119,793	118	116,372	-	(3,421)
	FTE	134		110		110		110		-	
IT Infrastructure and IT Support Services	Pos./Obl	478	421,193	540	423,448	540	433,299	540	424,294	-	(9,005)
	FTE	419		471		471		471		-	
Miscellaneous General Expense	Pos./Obl	-	276,369	-	370,508	-	382,317	-	282,994	-	(99,324)
	FTE	-		-		-		-		-	
Total	Pos./Obl	1,563	1,020,201	1,646	1,183,261	1,646	1,223,606	1,673	1,114,724	27	(108,882)
	FTE	1,227		1,501		1,542		1,566		24	

Cross Cutting Functions - Allocation

Patent Program	Pos./Obl	1,241	835,095	1,319	953,812	1,319	987,068	1,342	889,036	23	(98,032)
	FTE	970		1,202		1,236		1,257		20	
Trademark Program	Pos./Obl	322	185,105	327	229,448	327	236,538	331	225,688	4	(10,850)
	FTE	257		299		305		309		4	
Total Cross Cutting Functions - Allocation	Pos./Obl	1,563	1,020,201	1,646	1,183,261	1,646	1,223,606	1,673	1,114,724	27	(108,882)
	FTE	1,227	-	1,501	-	1,542	-	1,566	-	24	-

Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
JUSTIFICATION OF PROGRAM AND PERFORMANCE
(Dollar amounts in thousands)

Activity: Cross-Cutting Functions

Goal Statement

The Cross-Cutting Functions program's goal is to promote inclusive innovation, bring innovation to positive impact for the public good, and deliver impactful employee and customer experiences while maximizing agency operations.

Base Program

The Cross-Cutting Functions program includes the USPTO support functions that are necessary to enable mission-critical operations, including IP protection and policy, executive direction, financial and legal services, human capital and facility management activities, and management of the agency's IT infrastructure.

Statement of Operating Objectives

Some of the major objectives of the Cross-Cutting Functions program are:

- Foster the innovation mindset of all Americans;
- Improve domestic and global IP enforcement and reduce domestic and global IP crime and infringement;
- Equitably deliver exceptional CXs;
- Develop modern IT infrastructure and applications;
- Expand opportunity, discovery, and accountability through greater data maturity; and
- Resource mission success.

Explanation and Justification

Line Item	2023 Actual		2024 Current		2025 Base		
	Personnel	Amount	Personnel	Amount	Personnel	Amount	
Policy, External Affairs and Administrative Support	Pos./Obl	116	30,651	118	36,553	118	37,517
	FTE	92		118		119	
Global Intellectual Property Academy (GIPA)	Pos./Obl	19	4,318	19	5,323	19	5,433
	FTE	15		19		19	
IPR Attaché Program	Pos./Obl	3	15,471	4	17,308	4	17,648
	FTE	3		4		4	
Executive Direction and Communications	Pos./Obl	170	30,211	200	47,434	200	53,408
	FTE	68		156		182	
Financial Management Services	Pos./Obl	178	45,443	189	54,696	189	57,891
	FTE	135		185		189	
Human Resource Management and Administrative Services	Pos./Obl	302	56,778	317	71,730	317	76,082
	FTE	237		298		308	
Legal Services	Pos./Obl	139	32,993	141	39,183	141	40,217
	FTE	124		140		141	
Cross Cutting Functions Information Resources	Pos./Obl	158	106,775	118	117,078	118	119,793
	FTE	134		110		110	
IT Infrastructure and IT Support	Pos./Obl	478	421,193	540	423,448	540	433,299
	FTE	419		471		471	
Miscellaneous General Expense	Pos./Obl	-	276,369	-	370,508	-	382,317
	FTE	-		-		-	
Total	Pos./Ob	1,563	1,020,201	1,646	1,183,261	1,646	1,223,606
	FTE	1,227		1,501		1,542	

Cross-Cutting Functions

For FY 2025, the USPTO base totals \$1,224 million and 1,542 FTEs/1,646 positions for the Cross-Cutting Functions program.

The costs of the Cross-Cutting Functions program activities are allocated to the Patent and Trademark programs using the agency's ABI results.

Policy, External Affairs, and Administrative Support

The Chief Policy Officer and Director for International Affairs heads the Office of Policy and International Affairs (OPIA) and serves as the principal advisor to Under Secretary Vidal on public policy matters related to IP protection, including the United States' proposed legislation and international activities. OPIA includes attorneys in various subject matter fields (trade, enforcement, patents, trademarks, and copyright) who perform policy and representation work and representation travel as well as program analysts and several administrative support specialists who support the entire agency.

Intellectual Property Policy

OPIA participates in the World Intellectual Property Organization (WIPO), a specialized agency of the United Nations (UN) devoted to IP matters; the World Trade Organization (WTO), an international forum for liberalizing trade; and other IP-related organizations. As a WTO member, the United States has worked to include a substantial IP component known as the Agreement on Trade-Related Aspects of IP Rights (TRIPS). OPIA provides technical expertise in IP dispute settlement cases before the WTO in support of and at the request of the Office of the United States Trade Representative (USTR). OPIA has been the U.S. government's IP technical representative in several cases—most recently, the U.S. government's successful copyright challenge to certain aspects of China's IP regime.

The USPTO's statutory obligation to provide IP guidance and advice to the administration with respect to international IP policy and protection includes bilateral, regional, and multilateral IP discussions, and IP-office cooperation, which has led directly to patent worksharing. Some of these initiatives include supporting free trade agreements (FTAs) and trilateral cooperative activities and working to simplify and harmonize the administrative and technical processing of patent and trademark applications.

OPIA also coordinates patent cooperative activities with the five leading IP offices (IP5²), which leads to worksharing and Patent Prosecution Highway (PPH) projects that will help to improve operational efficiency and to address the patent inventory. Access the [Data Visualization Center](#) to view OPIA performance metrics.

Chief Economist

The Chief Economist (CE) is the primary advisor to Under Secretary Vidal regarding economic issues at the USPTO. The CE undertakes research that influences and guides USPTO regulatory initiatives and policy recommendations with respect to the broader functioning of IP systems. This involves long-term, ongoing research and policy planning. The CE evaluates market data and trends to assist the

² IP5—The USPTO, the European Patent Office (EPO), the Japan Patent Office (JPO), the Korean Intellectual Property Office (KIPO), and the China National Intellectual Property Administration (CNIPA)

USPTO and other U.S. government agencies in targeting examination, enforcement, and outreach resources. The CE also researches the causes and consequences of significant developments in U.S. markets, prevailing practices among users and producers of IP, and U.S. IP policy.

Croak Visiting Scholars Program

The Croak Visiting Scholars Program enlists the services of leaders in academia and the IP industry who devote up to one year of full-time service to the agency.

Global Intellectual Property Academy

The Global Intellectual Property Academy (GIPA) provides web-based and on-site training, technical assistance, and capacity-building programs and activities to foreign government officials from other IP offices and other foreign government officials responsible for IP enforcement policy and law enforcement. GIPA offers subject matter experts (SMEs) throughout the United States a variety of programs, information booths, and educational materials on protecting and enforcing IP in the United States and abroad. GIPA also offers dedicated programs to minorities, women, and Native Americans. GIPA carries out “train the trainers” programs for the Small Business Development Centers (SBDCs), the National Institute of Standards and Technology Manufacturing Extension Partnership (NIST MEP), and others. In addition, GIPA offers specialized programs on doing business in Brazil, India, and China. Visit the [GIPA webpage](#) for more information about GIPA.

Intellectual Property Attaché Program

The USPTO formally instituted the IP Attaché Program in 2006 to promote strong IP protection and enforcement internationally for the benefit of U.S. foreign, economic, and political interests. In FY 2025, the IP Attaché Program will have 14 IP attaché positions at the following posts: Rio de Janeiro, Brazil; New Delhi, India; Beijing, Shanghai, and Guangzhou, China; Bangkok, Thailand; Lima, Peru; Brussels, Belgium; Mexico City, Mexico; Kyiv, Ukraine; Abu Dhabi, United Arab Emirates; Johannesburg, South Africa; and Geneva, Switzerland. In addition, the USPTO will add one IP Specialist Locally Employed Staff (LES) position to each of the programs in Berlin, Germany, and Buenos Aires, Argentina. The IP Attaché Program closely aligns itself with (and supports the achievement of) the USPTO's mission and the Strategic Plan. The IP attachés bring unique technical IP expertise and experience to their posts. Attachés have helped to influence laws, regulations, and IP practices in their host countries. Visit the [IP Attaché Program webpage](#) to access more information.

Executive Direction, Communication, and Outreach

Executive Direction, Communication, and Outreach entails determining the policies and directing the programs of the USPTO. The PPAC and TPAC advise Under Secretary Vidal on USPTO policies, goals, performance, budget, and user fees.

As the world's leading IP agency, the USPTO relies on consistent and effective communication and outreach to achieve its policy goals. In FY 2025, the USPTO will continue to manage agency policies to ensure it meets its mission and vision while supporting government-wide efforts to attract and retain STEM students, especially as their education relates to IP. Through collaboration with other federal

agencies, school districts and universities, and nonprofit organizations, the USPTO will continue to lead initiatives that focus on incentivizing innovation, especially in underserved communities and key technology areas, as well as to develop policies aimed at protecting and promoting innovation while advancing competition in the U.S. economy.

The USPTO seeks to promote and protect innovation through its outreach efforts as well as tap into communities traditionally underrepresented in the innovation ecosystem. Innovation creates jobs and promotes economic prosperity, expanding access to the innovation ecosystem in every corner of the country. The USPTO contributes to the ongoing effort to build a stronger and more inclusive innovation sector by maintaining strategic partnerships with organizations such as the Urban Alliance and offering paid work experience to ensure opportunities reach a broader and more diverse audience. By maintaining partnerships with the National Science & Technology Medals Foundation and the National Inventors Hall of Fame, the USPTO continues participating in and supporting educational programs that bolster innovation through invention, entrepreneurship, and creativity.

Governmental Affairs

Governmental Affairs (GA) formulates legislative and policy proposals and prepares supporting documentation for USPTO proposals. GA's mission is to provide Congress with information and technical assistance on the USPTO's initiatives and proposed IP legislation, generate goodwill, provide education and outreach, prepare for hearings and legislation, manage responses to congressional inquiries, and liaise with the DOC and other agencies.

Financial Management Services

Financial Management Services helps to manage organizational resources effectively through activities that include budget formulation, execution, fee estimation, acquisitions, cost accounting, and vendor payments, among other financial management services. As of FY 2022, the USPTO has earned an unmodified audit opinion on its annual financial statements for 30 consecutive years. The Association of Government Accountants (AGA) awarded the USPTO the Certificate of Excellence in Accountability Reporting (CEAR) for the 21st consecutive year for its FY 2022 Agency Financial Report (AFR). In addition to being recognized as a CEAR recipient, the USPTO received a "Best in Class" award for its outreach, inclusion, and access features. This was the first time the AGA has recognized an agency in this category. The AGA recognized the USPTO for highlighting its efforts to provide "more access and support to the agency's customers across the country, particularly focusing on those currently underserved, which should spur innovation, create jobs, and improve the nation's welfare."

Human Resource Management and Administrative Services

In FY 2025, the Chief Administrative Officer is responsible for effectively managing human resources, providing administrative services, and executing telework programs by:

- Analyzing organizational capacity through workforce assessments to align workload demand with direct capacity in human resources;
- Investing in a post-pandemic, hybrid operating model by creating a centrally managed hoteling office program;

- Supporting the recruitment, development, and retention of a high-performing, highly skilled, and diverse workforce necessary for mission success;
- Promoting an engaged and evolving workforce through succession planning and fostering the next generation of USPTO leaders through leadership development training, after-work education initiatives, and mentoring programs;
- Overseeing a broad range of administrative and employee service programs (e.g., occupational, safety, and health services; printing and graphics services; mail center operations; office move services; transportation services; conference services; cafeteria and food services; personnel property management services; the Insider Threat Program; and records management services) that are responsive to the needs of the USPTO workforce;
- Providing real property services (e.g., lease and facilities management, space planning and design, and the coordination of building renovations) as well as energy conservation and environmental management services; and
- Protecting personnel, facilities, and property and coordinating the USPTO's Occupant Emergency, Emergency Preparedness, and Continuity of Operations planning efforts.

Office of Equal Employment Opportunity and Diversity

The Office of Equal Employment Opportunity and Diversity (OEEOD) partners with each USPTO business unit to sustain a diverse and inclusive workforce. OEEOD promotes equal employment opportunity (EEO) and diversity, equity, inclusion, and accessibility (DEIA) by:

- Ensuring EEO for USPTO employees and applicants by providing DEIA-focused training and discussion sessions to managers and employees, providing EEO counseling services to aggrieved persons, and overseeing the investigation of EEO complaints.
- Improving accessibility for users of programs and services the USPTO operates or funds. OEEOD supports the USPTO's commitment to providing reasonable accommodations for employees and job applicants with disabilities, including sign language interpretation and Communication Access Real-time Translation services.
- Implementing affirmative employment programs, including recruitment of and outreach to minority-serving institutions and organizations.
- Sponsoring special emphasis programs and promoting employee groups to increase cultural fluency, cross-cultural awareness and education, and bias mitigation.
- Planning and implementing engagement and inclusion initiatives, including the annual Community Day, to build an organizational culture of acceptance, respect, and belonging.
- Compiling, assessing, and distributing workforce demographic data to senior leaders to identify barriers to EEO and to enforce enterprise-wide, data-driven decision-making.
- Providing DEIA and Senior Executive Service (SES) Executive Core Qualifications training to employees and supervisors to address knowledge gaps and, when applicable, enhance supervisory skills or prepare employees for employment opportunities.

- Standing up and conducting DEIA initiatives that address barriers to minority and underserved communities' full participation in USPTO programs and services through an agency-wide DEIA Steering Committee, an enhanced communication strategy for DEIA programming and training, and the coordination of data gathering to support accurate annual reporting.
- Managing EEO complaint processing, including alternative dispute resolution.

Ombudsman Program

The Ombudsman Program helps USPTO employees and managers explore options for preventing, addressing, and resolving workplace issues.

Legal Services

Offices under the General Counsel provide the following legal services:

- The Office of the Solicitor (SO) serves as legal counsel to the USPTO on IP law matters. The SO also collaborates with the DOC on interagency IP law matters; defends PTAB and TTAB decisions before the United States Court of Appeals for the Federal Circuit and the federal district courts; represents Under Secretary Vidal in district court actions filed against the USPTO pursuant to the Administrative Procedure Act; provides legal advice on IP law, policy, and regulation; prosecutes attorneys and agents who practice before the agency for alleged ethical violations; and defends USPTO employees at deposition.
- The Office of General Law (OGL) represents the USPTO in matters that do not involve IP issues. The Deputy General Counsel's office provides advice and written legal opinions on areas concerning the administration and management of the USPTO. The OGL also represents the USPTO in various administrative proceedings.
- The Office of Enrollment and Discipline (OED) investigates complaints related to attorney and patent agent misconduct; determines the appropriate disciplinary proceedings; and suspends or excludes from practice before the USPTO any person, attorney, or registered patent agent shown to be incompetent or disreputable or found culpable of unethical, unprofessional, or gross misconduct. In addition, OED maintains a roster of individuals who are registered to practice in patent matters before the USPTO; this includes reviewing the legal, technical, and moral character qualifications of individuals seeking recognition to practice. Furthermore, OED administers and oversees the USPTO Law School Clinic Certification Program and the Patent Pro Bono Program. The USPTO's Patent Pro Bono Program supports 21 regional programs, and the Law School Clinic Certification Program includes over 60 participating law school clinics. These programs provide free legal services to inventors and small business owners. Base funding covers the expansion and support of Patent Pro Bono legal programming (a USPTO priority), which increases opportunities for more innovators to receive free patent legal services to help bring their innovations to reality.

Cross-Cutting Functions Information Resources

The Cross-Cutting Functions Information Resources program supports the USPTO's key IT objective of achieving world-class resiliency. The program also supports the following Enterprise Business Product Line (EBPL) key objectives:

- Gain business efficiencies;

- Engage, educate, and enable data processes and tools; and
- Foster excellent CXs.

Information Technology Infrastructure and Information Technology Support Services

The mission of IT Infrastructure and IT Support Services, or the Enterprise Infrastructure Product Line (EIPL), is to provide USPTO staff and customers progressively better, faster, and cheaper essential technologies and services while supporting the agency's key IT objective of achieving world-class resiliency. The product line achieves its mission by conducting exceptional research, design, testing, procurement, implementation, integration, operations, maintenance, and support for the USPTO's internal and external products. Additionally, EIPL continually advances customer service and user experience by measuring, anticipating, and addressing enterprise needs and leading rapid change to support dynamic business requirements, statutory obligations, and USPTO priorities. In addition to prioritizing business units' needs, EIPL continues to prioritize the continuous, sustainable replacement and improvement of desktop equipment, network hardware, and storage and server services. EIPL's key objectives are:

- Security: Implement zero-trust architecture (ZTA).
- Security: Drive down the USPTO's use of end-of-life software and servers.
- Cloud: Use cloud services where it makes good business sense.

Cross-Cutting Management Services: Miscellaneous General Expense

This sub-program entails cross-cutting services that affect all USPTO employees and operations, such as space rental, utilities, lease management, security, transportation, postage, and the agency's participation in the DOC Working Capital Fund. This sub-program also includes funding for post-retirement benefits, whereby the USPTO funds the present costs of post-retirement benefits for the Federal Employees Health Benefits (FEHB) Program, Federal Employees' Group Life Insurance (FEGLI) Program, and CSRS and FERS pension liabilities. The USPTO pays these funds to OPM. Base funds also include \$10,000 to purchase uniforms that USPTO personnel wear at recruitment events and outreach events, consistent with common recruiting practices.

**Department of Commerce
U.S. Patent and Trademark Office
CROSS-CUTTING FUNCTIONS PROGRAM
PROGRAM CHANGES FOR 2025**
(Dollar amounts in thousands)

		2025 Base		2025 Estimate		Increase/Decrease from 2025 base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount
Policy, External Affairs and Administrative Support	Pos./Obl.	118	37,517	118	37,346	-	(171)
	FTE	119		119		-	
Global Intellectual Property Academy (GIPA)	Pos./Obl.	19	5,433	19	5,401	-	(31)
	FTE	19		19		-	
IPR Attaché Program	Pos./Obl.	4	17,648	4	17,318	-	(330)
	FTE	4		4		-	
Executive Direction and Communications	Pos./Obl.	200	53,408	205	53,896	5	488
	FTE	182		188		6	
Financial Management Services	Pos./Obl.	189	57,891	202	57,998	13	107
	FTE	189		199		10	
Human Resources Management and Administrative Services	Pos./Obl.	317	76,082	326	78,989	9	2,906
	FTE	308		316		8	
Legal Services	Pos./Obl.	141	40,217	141	40,116	-	(101)
	FTE	141		141		-	
Cross Cutting Functions Information Resources	Pos./Obl.	118	119,793	118	116,372	-	(3,421)
	FTE	110		110		-	
IT Infrastructure and IT Support Services	Pos./Obl.	540	433,299	540	424,294	-	(9,005)
	FTE	471		471		-	
Miscellaneous General Expense (MGE)	Pos./Obl.	-	382,317	-	282,994	-	(99,324)
	FTE	-		-		-	
Direct Total, Cross Cutting Functions	Pos./Obl.	1,646	1,223,606	1,673	1,114,724	27	(108,882)
	FTE	1,542		1,566		24	

**Department of Commerce
U.S. Patent and Trademark Office
CROSS-CUTTING FUNCTIONS PROGRAM
PROGRAM CHANGES FOR 2025–2029**
(Dollar amounts in thousands)

		2025		2026		2027		2028		2029	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Policy, External Affairs and Administrative Support	Pos./Obl.	-	(171)	-	(349)	-	(532)	-	(717)	-	(907)
	FTE	-		-		-		-		-	
Global Intellectual Property Academy (GIPA)	Pos./Obl.	-	(31)	-	(64)	-	(96)	-	(130)	-	(164)
	FTE	-		-		-		-		-	
IPR Attaché Program	Pos./Obl.	-	(330)	-	(667)	-	(1,011)	-	(1,362)	-	(1,719)
	FTE	-		-		-		-		-	
Executive Direction and Communications	Pos./Obl.	5	488	(8)	(542)	(8)	(3,135)	(8)	(3,544)	(8)	(3,989)
	FTE	6		6		(8)		(8)		(8)	
Financial Management Services	Pos./Obl.	13	107	17	572	18	(2,962)	18	(3,002)	18	(3,175)
	FTE	10		16		18		18		18	
Human Resources Management and Administrative Services	Pos./Obl.	9	2,906	10	2,990	10	2,799	10	2,550	10	2,352
	FTE	8		10		10		10		10	
Legal Services	Pos./Obl.	-	(101)	1	(1,007)	1	(1,030)	2	(923)	2	(1,363)
	FTE	-		1		1		2		2	
Cross Cutting Functions Information Resources	Pos./Obl.	-	(3,421)	-	(8,021)	-	(10,870)	-	(13,749)	-	(16,659)
	FTE	-		-		-		-		-	
IT Infrastructure and IT Support Services	Pos./Obl.	-	(9,005)	-	(19,489)	-	(29,257)	-	(39,130)	-	(49,110)
	FTE	-		-		-		-		-	
Miscellaneous General Expense	Pos./Obl.	-	(99,324)	-	(97,391)	-	(109,699)	-	(113,058)	-	(118,385)
	FTE	-		-		-		-		-	
Direct Total, Cross Cutting Support	Pos./Obl.	27	(108,882)	20	(123,967)	21	(155,793)	22	(173,066)	22	(193,119)
	FTE	24		33		21		22		22	

Sub-Activity: Policy, External Affairs, and Administrative Support

IP Policy Activities (-\$0.2 Million and 0 FTEs/0 Positions): This funding will support the continued development of IP policy by improving the international legal framework for IP protection, providing expert advice on domestic IP legislation, conducting research to guide USPTO initiatives and policy recommendations on the functioning of the IP system, and expanding research on domestic and international IP issues and developments to inform policy formulation.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(171)	(349)	(532)	(717)	(907)
Budget Authority	(171)	(349)	(532)	(717)	(907)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

Sub-Activity: Global Intellectual Property Academy

IP Policy Activities (-\$0.03 Million and 0 FTEs/0 Positions): This funding will support the expansion of existing GIPA program activities, such as the U.S. Department of State Memorandum of Understanding (MOU) and Distance Learning project. The funding for GIPA programs helps to provide both foreign and U.S. government officials with educational programs on the protection, use, and enforcement of IP to improve IP protection systems worldwide for the benefit of U.S. stakeholders.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(31)	(64)	(96)	(130)	(164)
Budget Authority	(31)	(64)	(96)	(130)	(164)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

Sub-Activity: IP Attaché Program

IP Policy Activities (-\$0.3 Million and 0 FTEs/0 Positions): This funding will continue to support operations for 16 IP Attaché Program offices abroad in FY 2025. The USPTO will continue working with stakeholders to support the USPTO’s mission of protecting IP rights

both domestically and abroad. The USPTO will also strengthen the network of IP attachés posted in cities throughout the world who conduct outreach with foreign governments to improve IP laws and policies and provide support to U.S. stakeholders with IP issues.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(330)	(667)	(1,011)	(1,362)	(1,719)
Budget Authority	(330)	(667)	(1,011)	(1,362)	(1,719)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

Sub-Activity: Executive Direction, Communication, and Outreach

Office of the Under Secretary and Director and Chief Communications Office (+\$0.5 Million and +6 FTEs/5 Positions): This request will help the USPTO to increase communication, outreach, and education capacity by:

- Funding a contracted public relations firm to provide communications and marketing support for projects and programs the USPTO conducts under the authority of the CI². Through funding for this program change, the USPTO will address the agency priority of expanding outreach to underrepresented communities by tasking the public relations firm with conducting marketing, media, and communication strategies designed to build awareness and behavioral change to boost the participation of underrepresented audiences in the innovation ecosystem.
- Funding additional FTEs that will support employee wellness by increasing the number of employees with specific knowledge, skills, and abilities in areas that have been shown to be in high demand. This funding will also support policy-related agency priorities by adding staff to an existing team to create and support the communications and outreach strategies that are not necessarily related to the CI². These additional personnel will fill and enhance critical gaps the USPTO has identified and increase the USPTO’s capability to support its communication needs across the agency.
- Funding the establishment of the OPE to operationalize the requirements of the UAIA. OPE will consolidate outreach, education, CX, and customer engagement functions across the agency to deliver a greater impact on more innovators and to reach new audiences.

In support of the administration and Under Secretary Vidal's priority to promote inclusive innovation, this request also increases staffing by expanding the quantity, quality, and depth of messaging on the importance of the American system of IP protection. This request enables the USPTO to deliver messaging to the public through regional and local media, including messaging that incorporates regional offices’ emphases on services and programming.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	488	(542)	(3,135)	(3,544)	(3,989)
Budget Authority	488	(542)	(3,135)	(3,544)	(3,989)
FTE	6	6	(8)	(8)	(8)
Positions	5	(8)	(8)	(8)	(8)

Sub-Activity: Financial Management Services

Office of the Chief Financial Officer Staff (\$0.1 Million and +10 FTE/13 Positions): In FY 2025, the Office of the Chief Financial Officer (OCFO) will increase its staff by 13 positions. The additional FTEs will support accurate and timely projections of fee revenue, future spending requirements, and increased workload demands as well as strengthen Enterprise Risk Management to include capabilities like fraud analytics.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	107	572	(2,962)	(3,002)	(3,175)
Budget Authority	107	572	(2,962)	(3,002)	(3,175)
FTE	10	16	18	18	18
Positions	13	17	18	18	18

Sub-Activity: Human Resource Management and Administrative Services

Administrative Services Staff (+\$2.9 Million and +8 FTE/9 Positions): This program change and base resources will provide funding to support the USPTO’s growing human capital needs via increased staffing. This includes agency mission-critical positions that the USPTO must fill to meet ever-growing DOC requirements and OPM regulatory changes. This program change will also enable the USPTO to increase the size of its Insider Threat Program, which the agency is creating to meet the requirements set forth in Executive Order 13587 and which will begin operating in FY 2024.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	2,906	2,990	2,799	2,550	2,352
Budget Authority	2,906	2,990	2,799	2,550	2,352
FTE	8	10	10	10	10
Positions	9	10	10	10	10

Sub-Activity: Legal Services

Legal Services (-\$0.1 Million and 0 FTEs/0 Positions): This request supports the USPTO’s maintenance of existing disciplinary workload standards for all legal services at the agency. The total requested funding provides the resources necessary for the USPTO to continue administering legal programs, including pro bono initiatives, to enable greater participation in the IP system and broaden education and patent legal resources in underrepresented communities.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(101)	(1,007)	(1,030)	(923)	(1,363)
Budget Authority	(101)	(1,007)	(1,030)	(923)	(1,363)
FTE	0	1	1	2	2
Positions	0	1	1	2	2

Sub-Activity: Cross-Cutting Functions Information Resources

Cross-Cutting Functions Information Resources (-\$3.4 Million and 0 FTEs/0 Positions): This request will fund the following EBPL objectives:

- Gain business efficiencies: Changing the business focus from repetitive, manual, transactional processes will result in automated, centralized tools with streamlined workflows. The USPTO will know it is successful when it achieves increased productivity and business unit cost savings.
- Engage, educate, and enable data processes and tools: The USPTO’s efforts to support the IT needed to achieve the emerging USPTO Data Strategy will result in a data-driven organization that will expand opportunity, discovery, and accountability through greater data maturity. The USPTO will know it is successful when the agency treats data as an enterprise asset.
- Foster excellent CX: Creating an appropriate and seamless CX by building a robust customer attribute and behavior data set will drive strategic decisions for internal and external customers and foster increased engagement with the public. The USPTO will know it is successful when customer interactions are streamlined and surveys confirm a positive experience overall.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(3,421)	(8,021)	(10,870)	(13,749)	(16,659)
Budget Authority	(3,421)	(8,021)	(10,870)	(13,749)	(16,659)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

Visit the USPTO’s Exhibit 300 submissions located on the [Federal IT Dashboard](#) for additional information regarding schedules, milestones, and deliverables.

Sub-Activity: Information Technology Infrastructure and Information Technology Support Services

IT Infrastructure and Tools (-\$0.9 Million and 0 FTEs/0 Positions): This request will fund the EIPL’s key objectives and provide the infrastructure and IT support for all USPTO business units need to meet their mission.

- Security – Implement ZTA: Enhanced security is critical to protecting USPTO assets and IP. The USPTO’s ZTA efforts and zero-trust approach will make the agency’s customer data even more secure.
- Security – Drive down the use of end-of-life software and servers: Reducing the USPTO’s technical debt while increasing its use of virtual servers and open-source products will not only increase the USPTO’s security posture, but also reduce its dependency on vendor services.
- Cloud – Use cloud services where it makes good business sense: Moving product and infrastructure components to the cloud improves our customers’ experience by offering services that are secure, redundant, and cost-effective over time.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(9,005)	(19,489)	(29,257)	(39,130)	(49,110)
Budget Authority	(9,005)	(19,489)	(29,257)	(39,130)	(49,110)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

Visit the USPTO’s Exhibit 300 submissions located on the [Federal IT Dashboard](#) for additional information regarding schedules, milestones, and deliverables.

Sub-Activity: Cross-Cutting Services/MGE

Improvements to Cross-Cutting Services/MGE (-\$99.3 Million and 0 FTEs/0 Positions): This request will support the USPTO’s efforts to invest in cost-effective corporate support service improvements that affect all employees and operations. The MGE budget funds cross-cutting activities, including expenses the USPTO incurs through general agency management for which other areas of the budget do not provide. Most program changes in this function require one-time investments with lower costs for operations and maintenance (Ops), resulting in the reductions reflected in this Budget. These cross-cutting activities also facilitate the USPTO’s adherence to regulations, executive orders, and guidance documents. Additionally, program changes reflect offsets caused by reductions in rent projections and nonrecurring projects. This sub-activity requires FY 2025 funds to:

- Build on the \$40 million in real estate savings assumed in the FY 2024 PB to include additional annual cost savings of \$12 million through additional leased space reductions in Northern Virginia. The combined reduction in campus space amounts to estimated annual cost savings of approximately \$52 million.
- Allocate \$5 million in FY 2025 to finance the Detroit Regional Office’s relocation and build-out. The USPTO will begin building out one sensitive compartmented information facility (SCIF) in FY 2024.
- Implement UAIA priorities such as building a northern New England Community Outreach Office based in New Hampshire, a Southeast Regional Office based in Atlanta, GA, and three additional community outreach offices, locations yet to be identified, as well as complying with other UAIA mandates.
- Cover transactional costs incurred when the USPTO’s customers use a credit card as their method of payment. The Department of the Treasury is transferring the burden of these costs to the USPTO, and this transfer is now reflected in the MGE account.

- Transfer funding to OPM for post-retirement life insurance and post-retirement health benefits coverage for all USPTO employees enrolled in FEHB and FEGLI.

	2025	2026	2027	2028	2029
Outyear Costs:					
Direct Obligations	(99,324)	(97,391)	(109,699)	(113,058)	(118,385)
Budget Authority	(99,324)	(97,391)	(109,699)	(113,058)	(118,385)
FTE	0	0	0	0	0
Positions	0	0	0	0	0

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
CROSS-CUTTING FUNCTIONS PROGRAM
PROGRAM CHANGE PERSONNEL DETAIL**

Activity: Cross Cutting

Subactivity:

Program Change:

Full-time permanent

Title:

	Grade	Number	Annual Salary	Total Salaries
Program Analyst	11	2	93,701	187,401
Budget Analyst	14	1	157,817	157,817
Budget Analyst	9	1	77,445	77,445
Management and Program Analyst	14	1	157,817	157,817
Financial Analyst	14	1	139,251	139,251
Financial Analyst	12	1	99,097	99,097
Contract Specialist	13	6	125,695	754,170
Project Manager	12	1	112,310	112,310
Writer Editor	13	2	133,550	267,101
Public Affairs Specialist	13	3	133,550	400,651
Project Manager	14	1	157,817	157,817
Program Analyst	12	1	112,310	112,310
Data Analyst	11	1	93,701	93,701
Lead IT Specialist	13	1	153,189	153,189
Social Scientist	13	1	153,189	153,189
IT Specialist	11	1	107,479	107,479
Benefits HR Specialist	13	1	133,550	133,550
Leadership Development Branch Chief	14	1	157,817	157,817
HR Development Specialist	13	1	133,550	133,550
Learning Management System Registrar	12	1	112,310	112,310
Performance Management HR Specialist	13	1	133,550	133,550
HR Information System Specialist	13	1	133,550	133,550
Employee Relations Specialist GS Upgrade	14	2	157,817	315,634
Employment Division Senior HR Specialist	14	1	157,817	157,817
Attritions	11	(7)	129,404	(905,825)
Total		27		3,502,700
less Lapse	11%	(3)		(470,422)
Total full-time permanent (FTE)		24		3,032,278
2025 Pay Adjustment (2%)				55,687
Total				3,087,965

Personnel Data Summary

Full-Time Equivalent Employment

Full-time permanent

24

Other than full-time permanent

-

Total FTE

24

Authorized Positions:

Full-time permanent

27

Other than full-time permanent

-

Total Positions

27

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Direct Obligations amounts in thousands)**

Activity: Cross Cutting Functions Program

Object Class	2023 Actual	2024 Current	2025 Base	2025 Estimate	Increase/Decrease from 2025 base
11 Personnel compensation					
11.1 Full-time permanent	183,238	224,488	237,518	240,606	3,088
11.3 Other than full-time permanent	-	-	-	-	-
11.5 Other personnel compensation	13,106	15,498	16,541	16,541	-
11.8 Special personnel services payments	-	-	-	-	-
11.9 Total personnel compensation	196,344	239,986	254,059	257,147	3,088
12 Civilian personnel benefits	175,677	194,970	206,277	207,453	1,176
13 Benefits for former personnel	-	-	-	-	-
21 Travel and transportation of persons	3,625	5,432	5,540	5,474	(66)
22 Transportation of things	244	369	377	370	(7)
23.1 Rental payments to GSA	89,099	88,735	90,510	70,465	(20,045)
23.2 Rental payments to others	15,430	17,584	17,936	3,979	(13,957)
23.3 Communications, utilities and miscellaneous charges	15,310	15,923	16,241	15,623	(618)
24 Printing and reproduction	331	499	509	481	(28)
25.1 Advisory and assistance services	4,650	3,777	3,852	3,320	(532)
25.2 Other services	43,781	50,390	51,398	51,159	(239)
25.3 Purchases of goods & services from Gov't accounts	54,464	76,494	78,024	69,258	(8,766)
25.4 Operation and maintenance of facilities	24,352	49,824	50,820	70,465	19,645
25.5 Research and development contracts	-	-	-	-	-
25.6 Medical care	-	-	-	-	-
25.7 Operation and maintenance of equipment	321,884	389,646	397,439	313,498	(83,941)
25.8 Subsistence and support of persons	-	-	-	-	-
26 Supplies and materials	3,071	3,444	3,513	3,444	(69)
31 Equipment	71,937	46,178	47,102	42,564	(4,538)
32 Lands and structures	-	-	-	-	-
33 Investments and loans	-	-	-	-	-
41 Grants, subsidies and contributions	-	-	-	-	-
42 Insurance claims and indemnities	-	-	-	-	-
43 Interest and dividends	-	10	10	24	14
44 Refunds	-	-	-	-	-
99 Total obligations	1,020,201	1,183,261	1,223,606	1,114,724	(108,882)

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EXHIBITS: 16–42

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
SUMMARY OF REQUIREMENTS BY OBJECT CLASS**
(Dollar amounts in thousands)

Object Class	2023 Actual	2024 Estimate	2025 Base	2025 Estimate	Increase/Decrease from 2025 base
11.1 Salaries	1,801,274	2,018,807	2,157,272	2,168,955	11,683
11.5 Other personnel compensation	165,847	204,577	209,682	220,747	11,065
11.9 Total personnel compensation	1,967,120	2,223,384	2,366,953	2,389,702	22,749
12.1 Civilian personnel benefits	790,342	892,982	946,662	951,390	4,728
13 Benefits to Former Employees	-	-	-	-	0
21 Travel and transportation of persons	5,305	13,055	13,316	13,291	(25)
22 Transportation of things	249	383	391	384	(7)
23.1 Rental payments to GSA	89,099	88,735	90,510	70,465	(20,045)
23.2 Rental payments to others	15,460	17,745	18,100	3,980	(14,120)
23.3 Communications, utilities, and misc. charges	15,600	16,231	16,556	15,936	(621)
24 Printing and reproduction	198,534	183,604	187,276	186,840	(436)
25.1 Advisory and assistance services	55,835	61,789	63,025	61,757	(1,268)
25.2 Other services from non-federal sources	135,997	141,704	144,538	143,683	(854)
25.3 Other goods and services from federal sources	54,639	77,797	79,353	70,561	(8,792)
25.4 Operation and maintenance of facilities	24,352	49,824	50,820	27,084	(23,736)
25.7 Operation and maintenance of equipment	415,468	573,241	584,706	528,433	(56,274)
26 Supplies and materials	50,554	54,190	55,274	56,290	1,016
31 Equipment	146,200	46,829	47,766	43,297	(4,468)
32 Land and Structures	-	-	-	-	0
41 Grants, subsidies and contributions	-	-	-	-	0
42 Insurance claims and indemnities	437	-	-	-	0
43 Interest and dividends	-	12	12	26	14
44 Refunds	2,901	3,003	3,063	3,052	(11)
99.9 Total Obligations	3,968,093	4,444,508	4,668,321	4,566,172	(102,149)
Fee Collections	(4,040,161)	(4,119,306)	(4,554,940)	(4,554,940)	0
Less prior year other income/recoveries	(60,467)	(60,467)	(60,467)	(60,467)	0
Less prior year unobligated balance	(1,015,374)	(1,145,459)	(878,273)	(878,273)	0
Less end year unobligated balance	1,145,459	878,273	822,909	925,058	102,149
Total Budget Authority	(2,450)	(2,450)	(2,450)	(2,450)	(0)
Personnel Data					
Full-Time equivalent Employment	12,682	13,749	14,023	14,223	200
Positions	14,107	14,459	14,459	14,933	474

**Department of Commerce
U.S. Patent and Trademark Office
PATENT BUSINESS LINE BY OBJECT CLASS**
(Dollar amounts in thousands)

Object Class	2023 Actual	2024 Estimate	2025 Base	2025 Estimate	Increase/Decrease from 2025 base
11.1 Salaries	1,600,400	1,780,475	1,908,982	1,911,773	2,791
11.5 Other personnel compensation	146,655	172,512	175,670	186,736	11,065
11.9 Total personnel compensation	1,747,055	1,952,987	2,084,653	2,098,509	13,856
12.1 Civilian personnel benefits	701,064	789,682	840,276	841,643	1,367
13 Benefits to Former Employees	-	-	-	-	0
21 Travel and transportation of persons	4,184	11,367	11,595	11,595	0
22 Transportation of things	212	332	339	333	(6)
23.1 Rental payments to GSA	76,698	76,384	77,912	60,657	(17,255)
23.2 Rental payments to others	13,299	15,118	15,421	3,408	(12,013)
23.3 Communications, utilities, and misc. charges	13,140	13,646	13,919	13,424	(495)
24 Printing and reproduction	198,455	183,479	187,148	186,768	(381)
25.1 Advisory and assistance services	53,973	58,146	59,309	58,657	(652)
25.2 Other services from non-federal sources	123,835	122,530	124,981	125,873	892
25.3 Other goods and services from federal sources	42,271	60,768	61,983	54,376	(7,607)
25.4 Operation and maintenance of facilities	20,962	42,889	43,747	23,314	(20,433)
25.7 Operation and maintenance of equipment	318,689	437,986	446,746	403,368	(43,377)
26 Supplies and materials	47,974	51,258	52,283	53,184	901
31 Equipment	123,390	37,684	38,438	34,883	(3,555)
32 Land and Structures	-	-	-	-	0
41 Grants, subsidies and contributions	-	-	-	-	0
42 Insurance claims and indemnities	437	-	-	-	0
43 Interest and dividends	-	11	12	23	12
44 Refunds	2,248	2,448	2,497	2,497	0
99.9 Total Obligations	3,487,888	3,856,716	4,061,257	3,972,511	(88,745)
Fee Collections	(3,583,598)	(3,658,581)	(3,971,883)	(3,971,883)	-
Less prior year other income/recoveries	(50,429)	(50,429)	(50,429)	(50,429)	-
Less prior year unobligated balance	(798,531)	(942,490)	(792,603)	(792,603)	-
Less end year unobligated balance	942,490	792,603	751,478	840,224	88,745
Total Budget Authority	(2,180)	(2,181)	(2,180)	(2,180)	0
Personnel Data					
Full-Time equivalent Employment	11,338	12,118	12,373	12,527	154
Positions	12,458	12,774	12,774	13,195	421

**Department of Commerce
U.S. Patent and Trademark Office
TRADEMARK PROGRAM BY OBJECT CLASS**
(Dollar amounts in thousands)

Object Class	2023 Actual	2024 Current	2025 Base	2025 Estimate	Increase/Decrease from 2025 base
11.1 Salaries	200,873	238,332	248,289	257,182	8,893
11.5 Other personnel compensation	19,192	32,065	34,011	34,011	0
11.9 Total personnel compensation	220,065	270,396	282,300	291,193	8,893
12.1 Civilian personnel benefits	89,278	103,300	106,386	109,747	3,361
13 Benefits to Former Employees	-	-	-	-	0
21 Travel and transportation of persons	1,121	1,687	1,721	1,696	(25)
22 Transportation of things	36	51	52	51	(1)
23.1 Rental payments to GSA	12,401	12,351	12,598	9,808	(2,790)
23.2 Rental payments to others	2,160	2,627	2,679	572	(2,107)
23.3 Communications, utilities and misc. charges	2,460	2,585	2,637	2,511	(126)
24 Printing and reproduction	79	125	128	73	(55)
25.1 Advisory and assistance services	1,862	3,643	3,716	3,100	(616)
25.2 Other services from non-federal sources	12,162	19,174	19,557	17,811	(1,746)
25.3 Other goods and services from federal sources	12,367	17,029	17,370	16,185	(1,185)
25.4 Operation and maintenance of facilities	3,389	6,935	7,073	3,770	(3,304)
25.7 Operation and maintenance of equipment	96,779	135,255	137,961	125,064	(12,896)
26 Supplies and materials	2,581	2,932	2,991	3,106	116
31 Equipment	22,811	9,145	9,328	8,414	(913)
32 Land and Structures	-	-	-	-	0
41 Grants, subsidies and contributions	-	-	-	-	0
42 Insurance claims and indemnities	-	-	-	-	0
43 Interest and dividends	-	1	2	4	2
44 Refunds	652	555	566	555	(11)
99.9 Total Obligations	480,205	587,792	607,064	593,660	(13,404)
Fee Collections	(456,563)	(460,725)	(583,057)	(583,057)	-
Less prior year other income/recoveries	(10,038)	(10,038)	(10,038)	(10,038)	-
Less prior year unobligated balance	(216,843)	(202,969)	(85,670)	(85,670)	-
Less end year unobligated balance	202,969	85,670	71,431	84,835	13,404
Total Budget Authority	(270)	(270)	(270)	(270)	0
Personnel Data					
Full-Time equivalent Employment	1,348	1,631	1,650	1,696	46
Positions	1,649	1,685	1,685	1,738	53

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
JUSTIFICATION OF PROPOSED LANGUAGE CHANGES**

1...[\$4,195,799,000] \$4,554,940,000
...[2024] 2025
...[2025] 2026

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
APPROPRIATIONS LANGUAGE AND CODE CITATION**

FY 2025

Salaries and Expenses

For necessary expenses of the USPTO provided for by law, including defense of suits instituted against the Under Secretary of Commerce for Intellectual Property and Director of the USPTO, ~~\$4,195,799,000~~ \$4,554,940,000, to remain available until expended: *Provided*, that the sum herein appropriated from the general fund shall be reduced as offsetting collections of fees and surcharges assessed and collected by the USPTO under any law are received during FY2024 2025, so as to result in a FY2024 2025 appropriation from the general fund estimated at \$0: *Provided further*, that during FY2024 2025, should the total amount of such offsetting collections be less than ~~\$4,195,799,000~~ \$4,554,940,000, this amount shall be reduced accordingly: *Provided further*, that any amount received in excess of ~~\$4,195,799,000~~ \$4,554,940,000, in FY2024 2025 and deposited in the Patent and Trademark Fee Reserve Fund shall remain available until expended: *Provided further*, that the Director of the USPTO shall submit a *spend plan* to the Committees on Appropriations of the House of Representatives and the Senate for any amounts made available by the preceding proviso and such *spend plan* shall be treated as a reprogramming under section 504 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section: *Provided further*, that any amounts reprogrammed in accordance with the preceding proviso shall be transferred to the USPTO "Salaries and Expenses" account: *Provided further*, that the budget of the president submitted for FY2025 2026 under section 1105 of title 31, United States Code, shall include within amounts provided under this heading for necessary expenses of the USPTO any increases that are expected to result from an increase promulgated through rule or regulation in offsetting collections of fees and surcharges assessed and collected by the USPTO under any law: *Provided further*, that from amounts provided herein, not to exceed \$13,500 shall be made available in FY2024 2025 for official reception and representation expenses: *Provided further*, that in FY2024 2025 from the amounts made available for "Salaries and Expenses" for the USPTO, the amounts necessary to pay 1. the difference between the percentage of basic pay contributed by the USPTO and employees under section 8334(a) of title 5, United States Code, and the normal cost percentage (as defined by section 8331(17) of that title) as provided by OPM for the USPTO's specific use, of basic pay, of employees subject to subchapter III of chapter 83 of that title, and 2. the present value of the otherwise unfunded accruing costs, as determined by OPM for the USPTO's specific use of post-retirement life insurance and post-retirement health benefits coverage for all USPTO employees who are enrolled in FEHB and FEGLI, shall be transferred to the Civil Service Retirement and Disability Fund, the FEGLI Fund, and the Employees FEHB Fund, as appropriate, and shall be available for the authorized purposes of those accounts: *Provided further*, that any differences between the present value factors published in OPM's yearly 300 series benefit letters and the factors that OPM provides for the USPTO's specific use shall be recognized as an imputed cost on the USPTO's financial statements, where applicable: *Provided further*, that, notwithstanding any other provision of law, all fees and surcharges assessed and collected by the USPTO are available for the USPTO only pursuant to section 42(c) of title 35, United States Code, as amended by section 22 of the AIA (Public Law 112–29). *Provided further*, that within the amounts appropriated, \$2,450,000

shall be transferred to the "Office of Inspector General" account for activities associated with carrying out investigations and audits related to the USPTO.

Legislative Authorities

The programs of the USPTO are conducted under the following main legislative authorities:

- 15 U.S.C. 1051-1141n contain provisions of the Trademark Act that govern the administration of the USPTO's trademark registration system, provide for administrative proceedings before the USPTO, and set forth procedures relating to international registration of trademarks pursuant to the Madrid Protocol.
- 15 U.S.C. 1511 states that the USPTO is under the jurisdiction and subject to the control of the DOC.
- 35 U.S.C. 1-13, 21-26, 32-33, 100-105, 111-122, 131-135, 141-146, 151-157, 161-164, 171-173, 251-256, 261, 262, 267, 301-307, and 311-318 contain basic authorities for administration of patent laws, derived from the Act of July 19, 1952, and subsequent enactments.
- 35 U.S.C. 41 provides for the collection of specific fees for identified services and the establishment of fees at an estimated average cost for processing, services, or materials not specified.
- 35 U.S.C. 41(i)(2) provides for the deployment of USPTO automated search systems of the Office to the public.
- 35 U.S.C. 42(d) provides that the Director may refund any fee paid by mistake or in excess of that required.
- 35 U.S.C. 181-188 provides authorities for actions relating to secrecy of certain inventions and filing of applications in foreign countries.
- 35 U.S.C. 361-368 and 371-375 contain authorities related to Patent Cooperation Treaty applications, national stage entry, and related procedures.
- 35 U.S.C. 376 authorizes the USPTO to charge fees for activities related to the Patent Cooperation Treaty, and the Director may set fee amounts, except for the international and handling fees.
- The AIA (Pub. L. No. 112-29) provides specific authority for the USPTO to collect several fees related to patent services, including a 15% surcharge on most patent fees and a prioritized examination fee.
- The SUCCESS Act of 2018 (Pub. L. No. 115-273), extending the USPTO fee setting authority granted in the AIA by eight years.
- Unleashing American Innovators Act of 2022 (Pub. L. 117-328) provides fee reductions for small and micro entity discounts, the establishment of satellite and community outreach offices, updates to the Patent Pro Bono Program, and the establishment of the pre-prosecution assessment pilot program.

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
ADVISORY AND ASSISTANCE SERVICES**

	2023 Actual	2024 Current	2025 Estimate
Patent Cooperation Treaty (PCT) outsourcing	33,706	35,691	37,102
Patent Classification services	15,576	15,976	16,193
IT consulting services	462	502	530
Other	6,091	9,620	7,931
Total	55,835	61,789	61,757

The USPTO continues to contract for international search reports and written opinions for Patent Cooperation Treaty (PCT) chapter I cases. Investments in contracting enable the USPTO to meet its obligations as an International Searching Authority (ISA) under PCT chapter I. For example, the USPTO can meet the PCT time frames for issuing the required reports while focusing its examiner resources on reducing the backlog of pending national applications.

Patent classification services cover the United States Patent Classification (USPC) routing and Cooperative Patent Classification for incoming original, or serialized, utility applications.

IT and Other consulting services are services that relate to agency administration and management and agency problem management. Persons or organizations generally considered to have knowledge and special abilities that are not usually available within the agency normally provide these services. These services deal with management data collection, policy review or development, program development, review or evaluation, systems engineering, and other support services.

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
PERIODICALS, PAMPHLETS, AND AUDIOVISUAL PRODUCTS**

	2023 Actual	2024 Current	2025 Estimate
Periodicals	48,406	48,827	50,859
Pamphlets	-	-	-
Audiovisuals	-	-	-
Total	48,406	48,827	50,859

Technical literature documents in the form of periodicals are essential to the patent and trademark examination process. These resources include reference materials such as books, periodicals, Lexis-Nexis, and other research databases. The materials consist of more than 70,000 electronic journals, 385,000 electronic books, and 85,000 print titles, as well as research databases. The table above reflects the cost of these materials.

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
AVERAGE GRADES AND SALARIES**

	2023 Actual	2024 Current	2025 Estimate
Average ES Grade	N/A	N/A	N/A
Average GS Grade	13	13	13
Average GS Salary with Benefits	142,031	146,834	153,841

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
IMPLEMENTATION STATUS OF GAO AND OFFICE OF INSPECTOR GENERAL RECOMMENDATIONS**

31 U.S.C. 720, as amended January 3, 2019, requires the head of a federal agency to submit a written statement of the actions taken or planned in response to GAO recommendations to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 180 calendar days after the date of the report.

The Good Accounting Obligation in Government Act (GAO-IG Act), passed on January 3, 2019 (P.L. 115-414), requires each agency to include in its annual budget justification a report that identifies each public recommendation issued by GAO and the agency's Office of Inspector General (OIG) that has remained unimplemented for one year or more from the annual budget justification submission date. In addition, the Act requires agencies to reconcile the agency records and the Inspector General's (IG's) Semiannual Report to Congress (SAR).

Section 1. Recommendations for which action plans were finalized since the last appropriations request.

Report Number	OIG OIG-22-010-I
Report Title	USPTO Has Opportunities to Improve its Patent Examination Process and to Advance Patent Decision-Making
Issue Date	12/2/2021
Recommendation Number	1
Recommendation	Direct the Commissioner for Patents to (1) measure the effectiveness of the Office of Patent Quality Assurance (OPQA) process and its targets, and (2) take appropriate action to remedy any shortcomings.
Action(s) Planned	1-a) Establish a team to explore and construct appropriate quality targets related to OPQA random reviews. 1-b) Establish a team to explore and identify appropriate effectiveness measures for the OPQA. 1-c) Create a Standard Operating Procedure (SOP) that will include processes for: • obtaining feedback and recommendations on effectiveness measures for the OPQA • measuring the effectiveness of the OPQA based on the feedback and recommendations • reporting the OPQA's effectiveness measures on an ongoing basis. The SOP will also include a framework for taking appropriate actions to remedy any shortcomings. Dependency: Completion of 1-b)

Action Status (Planned, In-Progress, or Complete)	1-a) Complete 1-b) Complete 1-c) Complete
Target Completion Date	1-a) 10/31/21 1-b) 2/28/22 1-c) 5/31/22
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG OIG-22-010-I
Report Title	USPTO Has Opportunities to Improve its Patent Examination Process and to Advance Patent Decision-Making
Issue Date	12/2/2021
Recommendation Number	2
Recommendation	Direct the Commissioner for Patents to release more of the OPQA review methodology and data publicly to solicit external feedback on the review process.
Action(s) Planned	2-a) Create an updated USPTO quality metrics webpage that provides additional information regarding the OPQA's review methodology, including information on topics such as: sampling, quality standards, data collection forms, and review processes. In addition, the webpage will include information on the agency's overall approach to quality metrics, including the administration of perception surveys. 2-b) Include in the updated USPTO quality metrics webpage fiscal year data from the OPQA's reviews corresponding to inquiries in the Master Review form, as well as avenues for external stakeholders to communicate with the USPTO regarding the OPQA's review methodology, data, quality metrics, and patent quality in general. In addition, the webpage will provide results from both external and internal customer perception surveys.

Action Status (Planned, In-Progress, or Complete)	2-a) Complete 2-b) Complete
Target Completion Date	2-a) 11/30/21 2-b) 11/30/21
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG OIG-22-010-I
Report Title	USPTO Has Opportunities to Improve its Patent Examination Process and to Advance Patent Decision-Making
Issue Date	12/2/2021
Recommendation Number	3
Recommendation	Direct the Commissioner for Patents to solicit external stakeholder feedback on responsiveness as an additional performance indicator and to calibrate incentives and expectations.
Action(s) Planned	3-a) Work with a contracted survey research firm to construct and test proposed responsiveness questions for incorporation into the semi-annual External Quality Survey. Dependency: The current contract award for administration of the stakeholder survey is undergoing a re-compete that is scheduled to be completed by the end of August 2022. 3-b) Administer the External Quality Survey that includes new responsiveness question(s). Dependency: Completion of Office of Management and Budget clearance, including Paperwork Reduction Act clearance, and revised survey instrument. 3-c) Analyze and incorporate new responsiveness questions as part of the semi-annual reporting of stakeholder perceptions. Dependency: Completion of 3-b)

Action Status (Planned, In-Progress, or Complete)	3-a) Complete 3-b) Complete 3-c) Complete
Target Completion Date	3-a) 8/31/22 3-b) 1/31/23 3-c) 4/30/23
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG OIG-22-010-I
Report Title	USPTO Has Opportunities to Improve its Patent Examination Process and to Advance Patent Decision-Making
Issue Date	12/2/2021
Recommendation Number	4
Recommendation	Direct the Office of the Chief Information Officer to assess the effectiveness of current tools (e.g., those aiding in performing prior art search and preparation of office actions) to help examiners perform more efficiently.
Action(s) Planned	4-a) Establish a team to evaluate and assess current patent examiner tools. 4-b) Analyze feedback from surveys and examiner usage data to evaluate opportunities for efficiency gains. 4-c) Develop a plan to obtain new functionality on the current patent examiner tools (DAV, OC, and SEARCH). Dependency: Completion of 4-b)
Action Status (Planned, In-Progress, or Complete)	4-a) Complete 4-b) Complete 4-c) Complete

Target Completion Date	4-a) 3/31/22 4-b) 12/31/22 4-c) 3/31/23
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG OIG-22-010-I
Report Title	USPTO Has Opportunities to Improve its Patent Examination Process and to Advance Patent Decision-Making
Issue Date	12/2/2021
Recommendation Number	5
Recommendation	Direct the Commissioner for Patents to establish regular monitoring of consistency in examination decisions, including trainees' decisions, by randomly selecting applications for parallel examination.
Action(s) Planned	5-a) Conduct internal ideation sessions exploring and evaluating possible forms of parallel examination and quantitative or qualitative measures of examination consistency. 5-b) Create testing and evaluation plans for three proposed solutions/scenarios: • Minimize pilot administration impacts on examiners • Minimize pilot administration impacts on stakeholders • Minimize IT and infrastructure costs for pilot administration. Dependency: Completion of 5-a) 5-c) Evaluate proposed testing and evaluation plans for viability based on perceived impacts and efforts. Dependency: Completion of 5-b) 5-d) Pilot viable solution(s) to address the measurement and monitoring of examination consistency. Dependency: Completion of 5-c) and identification of at least one viable solution. 5-e) Implement, in a phased and/or full approach, a corps-wide consistency measurement and monitoring program. Dependency: Completion of 5-d) and receipt of results showing the evidence-based efficacy of piloted solution(s).
Action Status (Planned, In-Progress, or Complete)	5-a) Complete 5-b) Complete 5-c) Complete 5-d) In-Progress 5-e) In-Progress

Target Completion Date	5-a) 3/31/22 5-b) 11/30/22 5-c) 1/31/23 5-d) 1/31/24 5-e) 5/31/24
Recommendation Status (Planned, In-Progress, or Complete)	In-Progress

Report Number	OIG OIG-22-010-I
Report Title	USPTO Has Opportunities to Improve its Patent Examination Process and to Advance Patent Decision-Making
Issue Date	12/2/2021
Recommendation Number	6
Recommendation	Direct the Commissioner for Patents to establish and empower a quality control oversight body to create a comprehensive internal control system consistent with the guidance in the GAO Green Book.
Action(s) Planned	6-a) Consult with the Office of the Chief Financial Officer's internal control team regarding the structure and function of an internal control board, and how an internal Patents board would align structurally with the USPTO's Senior Assessment Team. 6-b) Identify the expertise required of members of the Patents Internal Control Board (PICB) and select members appropriately. 6-c) Determine and document the specific scope of PICB responsibilities and any resources needed to fulfill them. 6-d) Establish and document an SOP and schedule of operations for the PICB. 6-e) Begin PICB operations.
Action Status (Planned, In-Progress, or Complete)	6-a) Complete 6-b) Complete 6-c) Complete 6-d) Complete 6-e) Complete

Target Completion Date	6-a) 4/30/22 6-b) 2/28/22 6-c) 3/31/22 6-d) 4/30/22 6-e) 6/30/22
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG OIG-22-010-I
Report Title	USPTO Has Opportunities to Improve its Patent Examination Process and to Advance Patent Decision-Making
Issue Date	12/2/2021
Recommendation Number	7
Recommendation	Direct the Office of Patent Automation to define objective measures of effectiveness for the search tools and training to inform decisions related to prior art search improvements.
Action(s) Planned	7-a) Establish a team to explore and construct appropriate objective measures of the effectiveness of patent examiner search tools and training to inform decisions related to prior art search improvements. 7-b) Create an SOP that will include procedures for: • obtaining feedback and recommendations on objective measures of the effectiveness of patent examiner search tools • measuring the effectiveness of current patent examiner search tools and training • reporting on the effectiveness measures for patent examiner tools and training on an ongoing basis. Dependency: Development/implementation of monitoring capabilities in SEARCH and potential labor concerns. 7-c) Provide continual learning opportunities to the examining corps to promote the efficient and effective use of search tools.
Action Status (Planned, In-Progress, or Complete)	7-a) Complete 7-b) Complete 7-c) Complete

Target Completion Date	7-a) 3/31/22 7-b) 1/31/23 7-c) 3/31/23
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG-21-033-A
Report Title	USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register
Issue Date	8/11/2021
Recommendation Number	1
Recommendation	Develop controls and tools to detect post office boxes, post offices, commercial mail receiving agencies, registered agents, and other unacceptable domicile addresses in trademark applications and other trademark filings.
Action(s) Planned	1-a) Implement an automated query in trademark systems that will identify post office boxes and “care of” addresses and that will flag the issue for the assigned examining attorney to take appropriate action under the examination rules. 1-b) Implement a check for post office boxes and “care of” addresses as part of the pre-publication review of the Official Gazette. 1-c) Implement an automated query in trademark systems that will verify addresses known to belong to commercial mail receiving agencies with United States Postal Service data, and that will flag the issue for the assigned examining attorney to take appropriate action under the examination rules. 1-d) Conduct a cost/benefit analysis of options for pre-examination and/or pre-publication review of all domestic addresses, including comparing the relative costs and benefits of additional automated address checks or address reviews by Trademarks employees or contractors. Assess which option(s), if any, will provide cost-effective controls to determine if addresses are valid or should be flagged for appropriate action by the assigned examining attorney. 1-e) Implement domestic address review method(s) recommended by 1-d). Dependency: Completion of 1-d).
Action Status (Planned, In-Progress, or Complete)	1-a) Complete 1-b) Complete 1-c) Complete 1-d) Complete 1-e) Complete

Target Completion Date	1-a) 9/15/21 1-b) 9/30/22 1-c) 3/22/22 1-d) 9/30/22 1-e) 9/30/22
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG-21-033-A
Report Title	USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register
Issue Date	8/11/2021
Recommendation Number	2
Recommendation	Develop standards and procedures to (1) identify and investigate U.S.-licensed attorneys who are properly listed as the attorney of record on high numbers of fraudulent or inaccurate trademark applications and (2) address the attorneys' behavior by providing guidance, taking disciplinary action, or taking other actions as appropriate.
Action(s) Planned	2-a) Create an email inbox to centralize reporting by examining attorneys of inaccurate or improper trademark applications to the Special Task Force, and issue instructions to examining attorneys about the use of the inbox. 2-b) Update trademark systems to flag for examining attorneys automatically that examination on an application has been paused due to a Special Task Force-initiated investigation of suspicious trademark filings. 2-c) Draft an SOP to: (1) identify investigations in which an attorney of record appears to be participating in a significant number of suspicious filings, (2) identify the type and amount of evidence necessary for referral, and (3) determine the appropriate audience and process for referral (i.e., the Office of Enrollment and Discipline or OIG), if any.
Action Status (Planned, In-Progress, or Complete)	2-a) Complete 2-b) Complete 2-c) Complete
Target Completion Date	2-a) 6/6/21 2-b) 6/1/22 2-c) 1/1/22

Recommendation Status (Planned, In-Progress, or Complete)	Complete
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Report Number	OIG-21-033-A
Report Title	USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register
Issue Date	8/11/2021
Recommendation Number	3
Recommendation	Revise Examination Guide 3-19, or other procedures as appropriate, to clarify (a) expectations for the extent of examining attorneys' use of third-party information sources when examining specimens, (b) steps for assessing webpage specimens (to include an overall assessment of a website's authenticity), and (c) guidance for identifying mocked-up labels and tags in specimen photos.
Action(s) Planned	<p>3-a) Form a working group to consider measures that would improve specimen examination. The working group will consider possible revisions to Examination Guide 3-19 weighed against the effectiveness of other existing and potential measures.</p> <p>3-b) Revise Examination Guide 3-19 or issue other appropriate guidance for identifying digitally manipulated and other improper specimens, and provide training, as appropriate.</p> <p>3-c) Expand the Letter of Protest procedure to accept evidence of nonuse submitted by third parties that is relevant to a specific application undergoing examination.</p> <p>3-d) Conduct a cost/benefit analysis of non-examiners (e.g., support staff and contractors) conducting additional specimen reviews or investigations, including using an Automated Specimen Analysis Product to review specimens for duplicate images in multiple, unrelated submissions.</p> <p>3-e) Implement any specimen review method(s) identified and recommended in 3-d).</p> <p>Dependency: Completion of 3-d).</p>
Action Status (Planned, In-Progress, or Complete)	<p>3-a) Complete</p> <p>3-b) In-Progress</p> <p>3-c) Complete</p> <p>3-d) In-Progress</p> <p>3-e) In-Progress</p>

Target Completion Date	3-a) 12/1/22 3-b) 9/30/24 3-c) 8/1/21 3-d) 9/30/24 3-e) 9/30/24
Recommendation Status (Planned, In-Progress, or Complete)	In-Progress

Report Number	OIG-21-033-A
Report Title	USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register
Issue Date	8/11/2021
Recommendation Number	4
Recommendation	Develop controls to ensure consistency and coordination among examining attorneys for the examination of multiple trademark applications from a single applicant.
Action(s) Planned	4-a) Implement a process for the Special Task Force to use the Administrator Console feature in trademark database systems to identify and quarantine groups of applications with suspicious data elements (e.g., specimens of use, attorney name, applicant address, etc.) for investigation by the Special Task Force before they are assigned to an examining attorney. 4-b) Update trademark systems to flag for examining attorneys automatically that examination on an application has been paused due to a Special Task Force-initiated investigation of suspicious trademark filings. 4-c) Implement an automated process to identify duplicate specimens of use in multiple applications from the same applicant and promote consistent examination. 4-d) Test sensitivity of IT tool for identifying specimens that are not identical but contain the identical item or good, and if sufficient, evaluate costs and benefits of deploying the IT tool for wider use. 4-e) Establish a pilot program to do a random quality review check on companion applications filed within a 6-month period within the same class to ensure they were consistently handled, and determine whether results support wider adoption.
Action Status (Planned, In-Progress, or Complete)	4-a) Complete 4-b) Complete 4-c) Complete 4-d) Complete 4-e) Complete

Target Completion Date	4-a) 5/1/21 4-b) 6/1/22 4-c) 3/31/23 4-d) 3/31/23 4-e) 9/30/23
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG-21-033-A
Report Title	USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register
Issue Date	8/11/2021
Recommendation Number	5
Recommendation	Develop specific guidance for examining attorneys' use of Trademark Manual of Examining Procedure section 904.01(a).
Action(s) Planned	5-a) Provide appropriate guidance on what constitutes a "wide" range of unrelated goods for which an examining attorney should take action under section 904.01(a).
Action Status (Planned, In-Progress, or Complete)	5-a) In-Progress
Target Completion Date	5-a) 9/30/24
Recommendation Status (Planned, In-Progress, or Complete)	In-Progress

Report Number	OIG-21-033-A
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Report Title	USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register
Issue Date	8/11/2021
Recommendation Number	6
Recommendation	Create a risk framework to address fraudulent or inaccurate trademark filings, to include a risk profile, goals, and targets; update the risk framework on a regular basis; and update the Special Task Force's Charter to align with the risk framework.
Action(s) Planned	6-a) Document Trademarks' risk framework, including its risk profile, goals, and targets, through the Agency's Enterprise Risk Management (ERM) Scorecard, which is updated quarterly. 6-b) Update the Special Task Force's charter to align with the ERM documentation. Dependency: Completion of 6-a).
Action Status (Planned, In-Progress, or Complete)	6-a) Complete 6-b) Complete
Target Completion Date	6-a) 10/31/21 6-b) 6/1/22
Recommendation Status (Planned, In-Progress, or Complete)	Complete

Report Number	OIG-21-033-A
Report Title	USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register
Issue Date	8/11/2021
Recommendation Number	7
Recommendation	Develop procedures to aggregate data from managing attorneys' reviews of examining attorneys' work, and use this data to monitor and assess the effectiveness of efforts to improve the accuracy of the trademark register.
Action(s) Planned	7-a) Modify the Office of Trademark Quality Review and Training's (OTQRT) database to create a workflow that will allow managers to input quality review data directly. 7-b) Determine how best to use the additional data to monitor and assess the effectiveness of efforts to improve the accuracy of the trademark register. Dependency: Completion of 7-a).
Action Status (Planned, In-Progress, or Complete)	7-a) Complete 7-b) In-Progress

Target Completion Date	7-a) 12/31/23 7-b) 12/31/23
Recommendation Status (Planned, In-Progress, or Complete)	In-Progress

Section 2. Implementation of GAO public recommendations issued no less than one year ago that are designated by GAO as “Open” or “Closed-Unimplemented.”

Open Recommendation(s) the Department has decided not to implement.

Nothing to report.

Open Recommendation(s) the Department plans to implement.

Nothing to report.

Recommendations designated by GAO as “Closed-Unimplemented” for the past five years (2015–2019). Future reports will cover a one-year period.

Nothing to report.

Section 3. Implementation of OIG public recommendations issued no less than one year ago for which Final Action has not been taken or Action Not Recommended has been taken.

Report Number	OIG-19-014-A
Report Title	Inadequate Management of Active Directory Puts USPTO's Mission at Significant Cyber Risk
Issue Date	6/13/2019
Recommendation Number	4
Recommendation	Ensure PIV card technology compatibility with ongoing and future system development for USPTO next-generation applications, and switch PIV enforcement to a per-user basis, when technically feasible.
Target Implementation Date	9/30/2023
Reason No Final Action Taken or Action Not Recommended Taken	It was determined that some of the corrective actions related to this recommendation would require more time than others to complete. Per the OIG's suggestion, the USPTO added sub-actions to its Plan of Actions and Milestones to separate corrective actions related to recommendation 4, which would require more time than others. Corrective action 4c has a target completion date of September 30, 2023. A request to change the target completion date to September 30, 2025 was submitted to the OIG on October 2, 2023. The corrective action is listed below:

4-c) The USPTO has determined it is not currently technically feasible to implement user-based PIV enforcement in the current operational environment. Machine-based PIV enforcement meets HSPD-12 requirements. The USPTO will reevaluate user-based PIV enforcement annually.

Closure Request Pending
(Yes/No)

No

Section 4. Discrepancies between this report and the semiannual reports submitted by the Commerce Office of Inspector General or reports submitted by GAO.

Nothing to report.

**Department of Commerce
U.S. Patent and Trademark Office
Salaries and Expenses
Description of Tribal Consultations**
(Dollar amounts in thousands)

		2024 Base		2024 Estimate		Increase/Decrease from 2024 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount
Patent Program	Pos./Obl.	-	-	-	-	-	-
	FTE						
Trademark Program	Pos./Obl.	-	-	-	-	-	-
	FTE						
IP Policy, Enforcement & Protection Program	Pos./Obl.	-	-	-	-	-	-
	FTE						
Cross Cutting Functions Program	Pos./Obl.	-	-	-	-	-	-
	FTE						

Summary Description of Tribal Consultations: None applicable.

Summary Description of Tribal Input: None applicable.

APPENDICES

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Appendix I: Patent and Trademark Programs Five-Year Outlook

The USPTO's Budget includes two distinct programs: the Patent Program and the Trademark Program. The agency receives fee collections for incoming patent and trademark work to finance patent and trademark operations, respectively. As a fully fee-funded agency, the USPTO relies on a comprehensive, multiyear budgetary outlook. Long-term planning estimates facilitate effective resource planning and inform fee setting over the five-year budget horizon. The five-year forecast summary reflects the USPTO's point-in-time planning assumptions and budget priorities. The five-year estimates contain inherent uncertainty because future economic conditions upon which the USPTO bases fee collections and spending requirements are unknown. The USPTO routinely updates its fee collection forecasts, tracks operational and financial performance, and monitors changes in the economy to mitigate this risk of uncertainty. [Appendix IV](#) provides a detailed description of how the USPTO develops workload and fee collection estimates for the two programs.

The USPTO has two ORs: patent and trademark. The agency maintains OR balances to mitigate financial and operational risk (see the OR description in [Appendix IV](#)). The ORs contain unspent prior-year fee collections that, once apportioned by the Office of Management and Budget (OMB), are immediately available for use. The USPTO uses all available funding sources (i.e., appropriated fee collections and ORs) to finance agency operations continuously. The ORs supplement annual collections when annual spending requirements exceed revenue, help the USPTO manage cash flow when normal seasonal variability causes spending to exceed fee collections periodically, and provide funding for unplanned requirements necessary for the USPTO's continued operations. The ORs are not distinct accounts or segregated fund balances. The USPTO manages the ORs within a range of acceptable balances (between minimum and optimal targets) and assesses its options when balances fall either below or above that range. Annually, the USPTO evaluates OR forecasts, including cash flow and any planned use of OR funds, as part of the budget formulation process and in accordance with the USPTO's OR policy. The USPTO compares the forecasted OR balances to the operating range for both ORs. Minimum planning targets are intended to address immediate, unplanned changes in the economic or operating environments as the reserve builds to the optimal target level. The USPTO reviews minimum and optimal planning targets every three years to ensure the reserve operating range (between minimum and optimal targets) mitigates the severity of an array of financial risks. Based on the current risk environment, including various risk factors such as economic and funding uncertainty and the high percentage of fixed costs, the USPTO established a minimum planning level of 8% of total spending (or one month of operating expenses) and an optimal, long-range planning target of 22% (or about three months of operating expenses) for the Patent Program as well as a minimum planning level of 23% of total spending (or about three months of operating expenses) and an optimal, long-range planning target of 50% (or six months of operating expenses) for the Trademark Program.

Annual OR balances do not include USPTO deposits in the Patent and Trademark Fee Reserve Fund (PTFRF), which is a separate account. When actual fee collections exceed amounts authorized in annual appropriations in any given year, the USPTO deposits the excess in the PTFRF. The USPTO cannot use PTFRF deposits immediately; thus, PTFRF balances do not mitigate short-term operational financing risks. The agency must notify Congress, using the congressional reprogramming process, before it may use PTFRF deposits to finance USPTO operations.

Long-Term Planning

As mentioned in the [Executive Summary](#), the UAIA was enacted on December 29, 2022. The USPTO has identified the resources and budgetary requirements needed to satisfy UAIA provisions. The agency plans to continue refining costs associated with the UAIA in future budgets.

Significant provisions of the UAIA include:

- **Establishment of satellite (regional) and community outreach offices:** The law directs the USPTO to establish a Southeast Regional Office by December 2025 and to complete a study by December 2024 to determine whether additional satellite offices are necessary. In addition, it directs the USPTO to establish no fewer than four community outreach offices throughout the United States by December 2027. It also requires the agency to partner with local organizations to create programs that provide education on the patent system, promote career benefits of entrepreneurship and innovation, and educate prospective inventors in underrepresented populations and locations.
- **Updates to the Patent Pro Bono Program:** the law directs the USPTO to increase efforts to enhance the Patent Pro Bono Program, including completing a study by December 2023 and submitting the results to the Committee on the Judiciary of the House of Representatives.
- **Pre-prosecution assessment pilot program:** The law directs the USPTO to establish a pilot program to assist first-time prospective patent applicants in assessing the strengths and weaknesses of a potential patent application by December 2023.
- **Fee reductions for small and micro entities:** The law increased small entity discounts from 50% to 60% and micro entity discounts from 75% to 80% on December 29, 2022. It also directs the agency to perform a fee study by December 2024 and to submit the results to the Committee of the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives.

Cost Containment and Savings

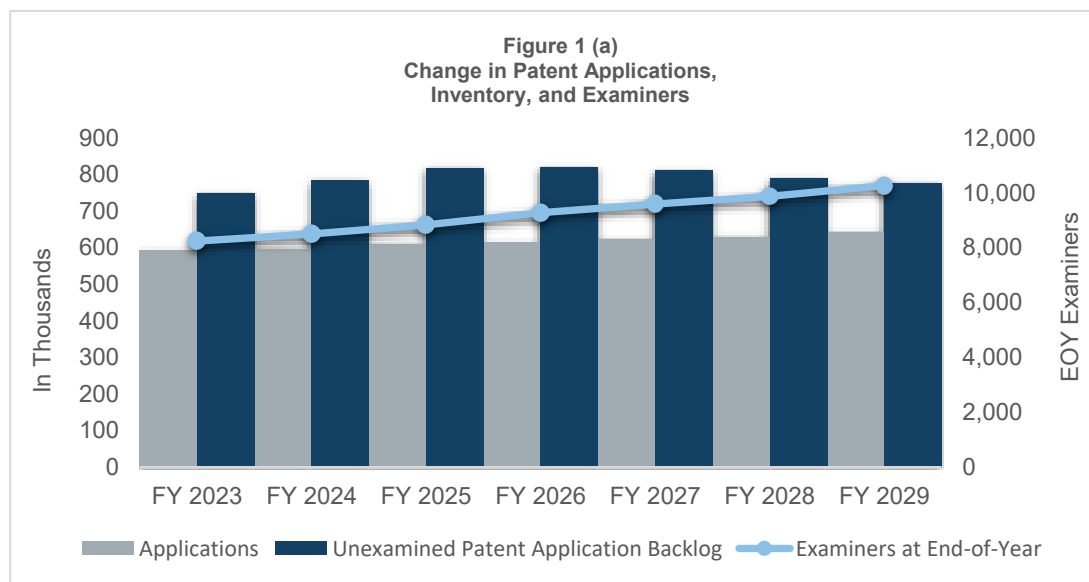
The USPTO is committed to fiscal responsibility. The agency makes prudent decisions to align spending priorities with fee collection projections to meet workload requirements and maintain sufficient OR levels. This Budget builds on \$40 million in real estate savings assumed in the FY 2024 PB and beginning in FY 2025 to include an additional annual cost savings of \$12 million through more leased space reductions in Northern Virginia. The combined reduction in campus space amounts to estimated annual cost savings of approximately \$52 million. Further, despite upward pressure from inflation, supply chain disruptions, and government-wide pay raises, along with a steady appetite for IT improvements that offer business value to fee-paying customers, the USPTO will continue to achieve IT cost containment goals via systems and equipment modernization over the budget horizon.

Patents Five-Year Outlook

The USPTO continues to focus on producing accurate and consistent results in patent search and examination while improving timeliness. Ensuring the reliability of issued patents so stakeholders have confidence in patent grants requires the USPTO to invest time, training, and other resources, as supported by the Budget.

In the FY 2025 Budget, the USPTO projects a 1.5% growth annually for serialized (original) filings—the largest component of the overall application growth rate—for FY 2024 and FY 2025 and a 1.0% growth each year between FY 2026 and FY 2029. Given current filing trends and other economic behavior assumptions, the USPTO plans to hire approximately 800 to 850 patent examiners in FY 2024 through FY 2025, and between 700 and 900 patent examiners in FY 2026 through FY 2029, as demonstrated in figure 1(a). As seen in figure 1(b), the USPTO projects an overall annual growth rate of 2.1% in UPR application filings in FY 2025. The agency calculates all patent spending and fee estimates based on these assumptions. The UPR annual growth rate differs from the serialized growth rate in that it also includes request for continued examination (RCE) filings. RCE filings comprise approximately 24% of disposal filings annually. The USPTO continues to engage in various initiatives designed to reduce RCE filings, which would ultimately reduce the total UPR filing growth rate.

The American Inventors Protection Act of 1999 established the current PTA process. A patent term is a measure of the period that a patent is in force. The PTA statute requires the USPTO to adjust a patent term to account for certain agency administrative delays in a patent application. Often described as the “14-4-4-4-36 time frames,” the specified time periods require the USPTO to issue an office action within 14 months after receipt of an application filing; respond to a reply or an appeal within four months after the applicant files the reply or takes the appeal; act on an application within four months after the PTAB or a federal court makes a decision; issue a patent within four months of receiving an issue fee payment; and issue a patent within 36 months of an application’s filing date. The staffing plan included in this Budget provides for patent examiner staffing levels required to address increasing workloads as well as to balance quality and pendency targets within PTA examination time frames. In its ongoing efforts to improve certainty and timeliness, the USPTO will continue to monitor inventory and application filing levels closely and calibrate



examination capacity to reduce PTA while optimizing the issuance of reliable, predictable, and consistent patents. Projected results will shift in accordance with changes to planned hiring levels and other assumptions.

Figure 1(b): Patent performance outlook

Utility, Plant and Reissue	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
UPR Applications	594,374	596,800	609,400	615,400	623,600	629,600	642,200
Growth Rate	0.3%	0.4%	2.1%	1.0%	1.3%	1.0%	2.0%
Serialized Applications	463,259	469,900	477,000	481,700	486,600	491,400	496,300
Serialized Growth Rate	1.2%	1.5%	1.5%	1.0%	1.0%	1.0%	1.0%
Production Units	437,900	543,500	557,000	577,300	602,300	621,100	639,000
Unexamined Inventory	747,975	784,100	817,900	820,200	811,600	789,400	780,000
Performance Measures							
Total PTA Compliance - Mailed Actions (Percent)	81%	80%	80%	80%	80%	80%	80%
Total PTA Compliance - Remaining Inventory (Percent)	82%	81%	81%	80%	80%	80%	81%
Examiners at End-of-Year	8,240	8,500	8,833	9,276	9,589	9,867	10,135

To achieve the performance commitments shown above, the USPTO developed estimates of Patents spending and fee collections, as shown in figure 1(c).

Figure 1(c): Patent financial outlook

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Estimated fee collections (Appropriation/Authority)	3,584	3,659	3,972	4,238	4,338	4,305	4,314
Other income	50	50	50	50	50	50	50
OR BOY balance	775	942	793	840	1,028	1,148	1,074
Total estimated funds available	4,409	4,651	4,815	5,129	5,416	5,504	5,438
Total estimated spending	(3,490)	(3,859)	(3,975)	(4,102)	(4,268)	(4,431)	(4,600)
Available at EOY	919	793	840	1,028	1,148	1,074	837
Transfer (to)/from PTFRF	23	-	-	-	-	-	-
OR EOY balance	942	793	840	1,028	1,148	1,074	837
PTFRF							
PTFRF BOY balance	23	-	-	-	-	-	-
Transfer to/(from) PTFRF	(23)	-	-	-	-	-	-
PTFRF EOY balance	-	-	-	-	-	-	-
EOY OR and PTFRF balances	942	793	840	1,028	1,148	1,074	837

Projected Fee Collections

The USPTO projects that serialized patent application filings will grow by 1.5% annually in FY 2024 and FY 2025, followed by 1.0% annually through the end of the planning horizon. This growth, which would reflect a stabilization toward historical norms, reflects an anticipated decrease in continuation applications, which account for nearly a quarter of new applications. Filing growth projections directly impact fee collections.

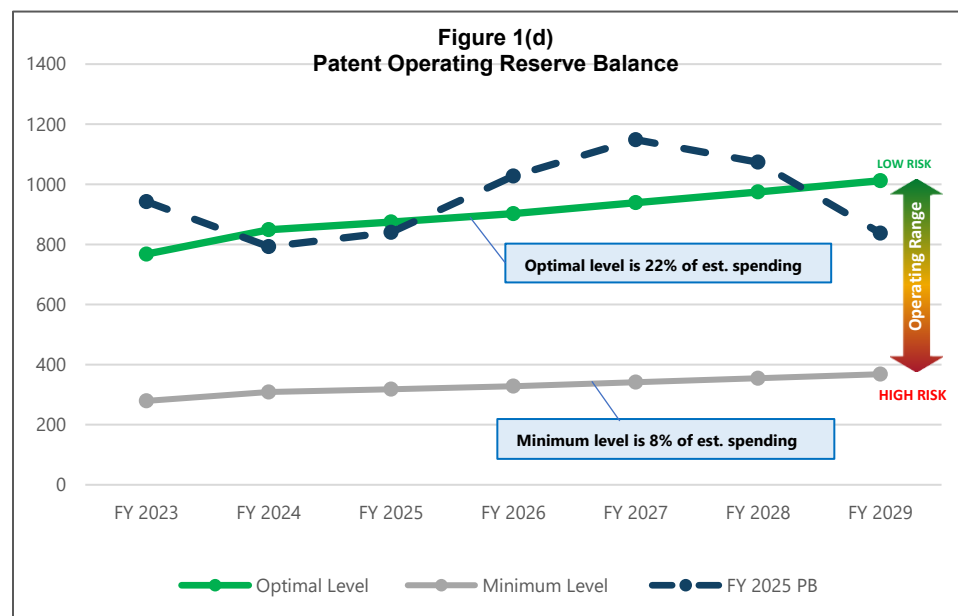
The USPTO conducts biennial fee reviews to ensure the fee structure allows the agency to make continuous strategic improvements to address stakeholder needs and to maintain a sustainable funding model to avoid any disruptions caused by fluctuations in available financial resources. A recent comprehensive patent fee review concluded that fee adjustments are necessary to increase aggregate revenue and refine certain fees to finance ongoing operations efficiently. The patent fee collection estimates are based on proposed fee adjustments that are assumed to take effect January 8, 2025. Preliminary proposals were shared at a Patent Public Advisory Committee (PPAC) public hearing on May 18, 2023. On August 14, 2023, PPAC issued a report with the comments, advice, and recommendations of the committee. The USPTO plans to issue a Notice of Proposed Rulemaking that considers updates to the proposals based on the PPAC report. The proposed fee rates will increase projected fee collections by about \$435 million per year, once fully implemented. The USPTO is committed to improving the fee schedule design continuously to provide the agency sufficient financial resources to administer the U.S. patent system effectively while maintaining a rigorous and open review process.

Estimated Spending

The USPTO submitted a request to increase the patent special rate table, which directly impacts spending for the Patent Program beginning in FY 2024. This Budget uses current planning assumptions to estimate the increase in patent compensation, contingent upon approval and is subject to change. The Budget also increases workload capacity through hiring additional patent examiners to meet demand and to reach pendency goals in the outyears. Additionally, spending reflects inflationary increases, and the USPTO projects that the Patent Program will increase at a 4.7% compound annual growth rate (CAGR) through FY 2029, relative to the FY 2023 baseline level.

Patent OR

The USPTO manages its ORs within a range of acceptable balances—a minimum planning level and an optimal planning level—based on an assessment of key



risk factors. For FY 2025, the USPTO set the minimum Patents planning levels at 8% of total spending (about one month of operating expenses) or \$318 million and optimal planning levels at 22% of total spending (about three months of operating expenses) or \$875 million (see figure 1(d)).

The UAIA, signed into law on December 29, 2022, reduced barriers to entering the patent system by increasing small and micro entity discounts. As a consequence of new, higher discounts, the USPTO will collect approximately \$100 million less per year in fee collections going forward relative to previous estimates. Additionally, the broader U.S. economy has experienced higher-than-expected inflation over the last two years and, in turn, increased USPTO operating costs. The revenue decrease and inflationary increase, with the proposed increase to the patent special rate table, will directly impact spending for the Patent Program beginning in FY 2024. As a result, the USPTO estimates that patent spending requirements will exceed patent fee collections in FY 2024. The patent OR balance, which is mitigating the USPTO's financing risk in FY 2024, will be followed by the restoration of contributions to the OR balance beginning in FY 2025.

The USPTO projects that the fee proposals expected to take effect in FY 2025 will increase fee collections to the point that they exceed patent spending requirements, and the agency will add forecasted excess fee collections to the patent OR each year from FY 2025 through FY 2027. During FY 2028 and FY 2029, as projected fee collection growth slows but projected patent spending requirements continue to increase, the USPTO expects to use the patent OR again to fund operating expenses. The USPTO conducts biennial fee reviews to ensure the fee structure keeps the agency on stable financial footing and will consider further fee adjustments if necessary.

The USPTO bases OR projections on point-in-time estimates and assumptions that are inherently uncertain and subject to change. Uncertainties around adjustments to examination capacity, time allotted to examiners to perform their work, recompletions of existing contracts, changes in workload, inflationary increases, and decreases in revenue, among other issues, could impact the USPTO's ability to achieve projected OR levels.

Trademarks Five-Year Outlook

The USPTO is committed to maintaining high-quality examination of trademark applications while continuing to focus on timeliness. Historically, trademark application filings have exhibited a strong and immediate correlation with the economy (as measured by changes in gross domestic product and venture capital investment). The USPTO experienced a pandemic-related reduction in trademark application filings during the second quarter of FY 2020 that, at the time, looked likely to continue. This measure was followed by an unexpected and extreme surge in filings in the fourth quarter that, in large part, coincided with governments issuing COVID-19-related economic stimuli globally. Strong economic conditions continued into FY 2021. Since then, and as of September 2023, Trademarks has experienced a gradual deceleration and a return to normal demand levels.

For FY 2025, the USPTO projects that filings will grow by 4.6%, followed by similar growth rates (ranging from 5.6% to 5.7% annually) in FY 2026 to FY 2029. Given that the USPTO anticipates a steady increase in filings and has a record-high backlog of unexamined applications, the USPTO will increase staffing levels for trademark examining attorneys during the five-year planning horizon, as demonstrated in figure 2(a). For over a decade, the USPTO maintained first action pendency at between 2.5 and 3.5 months. The agency entered FY 2022 with a considerable backlog of unexamined applications attributed to the increase in trademark filings in FY 2020 and FY 2021. This swift increase led the USPTO to revise its first action pendency targets upward to 8.4 months in FY 2024. The requirements included in this Budget position the USPTO to reduce first action pendency to 7.5 months in FY 2025. Total pendency goals are expressed as the optimal target, which is 13.5 months in FY 2025. The pendency reduction plan is the USPTO’s recognition that working through the unprecedented surge and backlog will take several years. The USPTO is actively implementing several initiatives, encompassing the introduction of new IT systems and functionalities, aimed at reducing pendency and enhancing the timeliness and quality of the examination and registration processes. To align capacity with the high inventory and incoming workloads, the USPTO is steadily hiring examining attorneys. Simultaneously, the organization is exploring opportunities for process optimization workflows and automation to make the examination process more efficient. In addition, the TMA, which went into effect on December 27, 2021, set forth a series of initiatives to improve and strengthen the accuracy and integrity of the federal Trademark Register. Its implementation enabled individuals, businesses, and the USPTO to use new tools to clear away unused registered trademarks from the Trademark Register. The TMA also equips the USPTO with an additional tool to move applications through the registration process more efficiently. As of December 1, 2022, applicants now have shortened periods to respond to office actions. The USPTO expects to start implementing these initiatives in late FY 2025 or early FY 2026, depending on the successful completion of IT modernization. The ongoing assessment of spending requirements and their benefits, including incentives to boost productivity, is underway, and the agency will incorporate finalized estimates and timelines into the next budgeting update. The USPTO will continue to identify additional resources and costs related to developing and executing the new provisions—specifically, in the IT and examination areas.

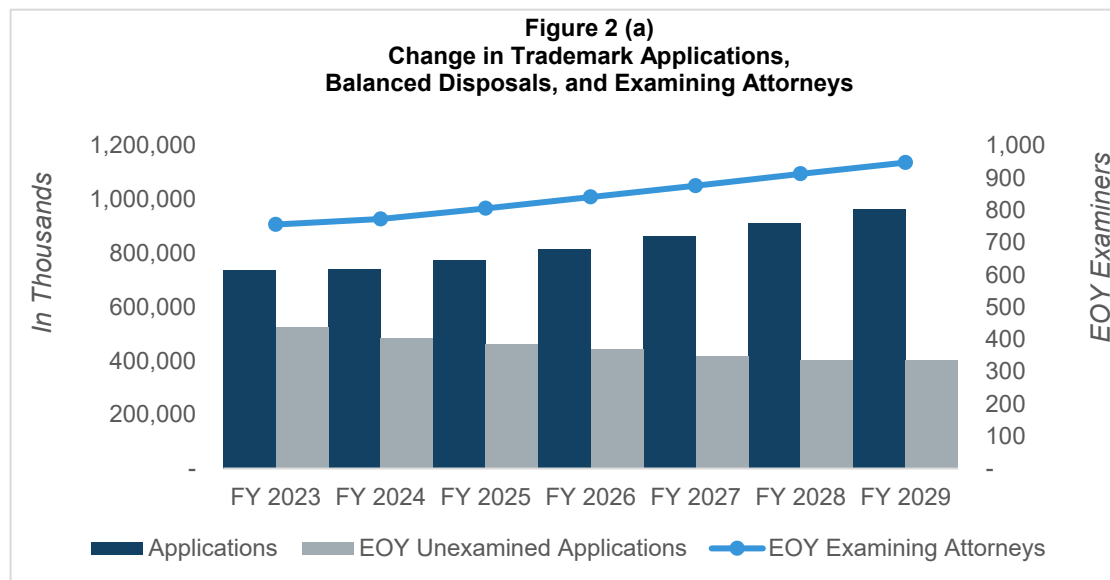


Figure 2(b): Trademarks performance outlook

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Applications	737,000	740,000	774,000	817,000	863,000	912,000	964,000
Growth rate	-6.4%	0.4%	4.6%	5.5%	5.6%	5.7%	5.7%
Balanced disposals	1,552,600	1,580,000	1,600,000	1,680,000	1,740,000	1,850,000	1,930,000
Unexamined applications at EOY	526,160	485,000	463,756	442,627	418,438	402,622	401,645
Average first action pendency (months)	8.5	8.4	7.5	6.3	5.9	5.5	4.9
Average total pendency (months)	14.5	14.4	13.5	11.3	10.9	9.5	8.9
Examining attorneys at EOY	756	773	806	841	876	913	948

To achieve the performance commitments shown above, the USPTO developed estimates of Trademarks spending and fee collections, as shown in figure 2(c).

Figure 2(c): Trademarks financial outlook

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Estimated fee collections (Appropriation/Authority)	457	461	583	640	666	694	721
Other income	10	10	10	10	10	10	10
OR BOY balance	209	203	86	85	125	165	205
Total estimated funds available	675	674	679	735	800	869	936
Total estimated spending	(480)	(588)	(594)	(611)	(635)	(664)	(690)
Available at EOY	195	86	85	125	165	205	246
Transfer (to)/from PTFRF	8	-	-	-	-	-	-
OR EOY balance	203	86	85	125	165	205	246
PTFRF							
PTFRF BOY balance	8	-	-	-	-	-	-
Transfer to/(from) PTFRF	(8)	-	-	-	-	-	-
PTFRF EOY balance	-	-	-	-	-	-	-
EOY OR and PTFRF balances	203	86	85	125	165	205	246

Projected Fee Collections

Trademark application filings declined by 16.5% in FY 2022 when compared to the all-time high for application filings in 2021 and 6.4% in FY 2023, returning to more typical levels following a growth of 27.9% in FY 2021. The USPTO projects that filings will level

out in FY 2024, growing by 0.4%, followed by an increase of 4.6% in FY 2025 and annual growth rates ranging from 5.5% to 5.7% over the remainder of the planning horizon. Filing growth projections directly impact estimated fee collections.

The USPTO conducts biennial fee reviews to ensure fees align with the full costs of relevant products and services to the greatest extent possible. Additionally, the USPTO aims to protect the integrity of the Trademark Register and promote the efficiency of the examination, appeal, and trial processes while maintaining a rigorous and open review process. The trademark fee collection estimates are based on proposed fee adjustments that are assumed to take effect November 23, 2024. Preliminary proposals were shared at a Trademark Public Advisory Committee (TPAC) hearing on June 5, 2023. On August 14, 2023, TPAC issued a report with the comments, advice, and recommendations of the committee. The USPTO plans to issue a Notice of Proposed Rulemaking that considers updates to the proposals based on the TPAC report.

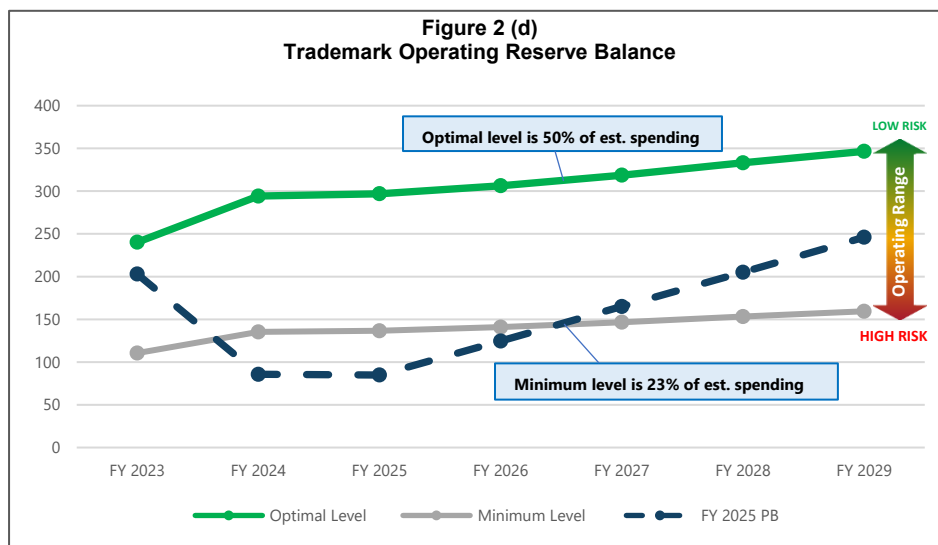
Estimated Spending

The USPTO anticipates that, overall, filings will increase by about 227,000 applications (classes) by FY 2029 relative to FY 2023, or a 4.6% CAGR. Trademarks will increase its number of examining attorneys and personnel to support increasing workloads and business development and to implement new and improved IT tools to manage the workload more effectively. Total annual trademark spending requirements will increase at a 6.2% CAGR through FY 2029 relative to the FY 2023 level. These increases in spending requirements include inflationary increases, capacity increases, and continued investments to improve Trademarks’ business effectiveness.

Trademark OR

The USPTO reviews OR optimal balance targets every three years and sets balance target levels to mitigate fee collections and spending risk factors. Through its multiyear planning process, the USPTO aims to achieve or approach optimal OR levels within the five-year forecast. For FY 2025, the USPTO set the minimum trademark OR planning levels at 23% of total spending (about 3 months of operating expenses) or \$137 million and optimal planning levels at 50% of total spending (6 months of operating reserves) or \$297 million (see figure 2(d)).

The USPTO estimates the trademark OR will fall below minimum levels through FY 2026 before reversing trajectory and beginning to rebound in FY 2027–FY 2029. Forecasts for aggregate trademark



revenue using current demand estimates are lower than prior forecasts. Lower-than-expected demand is coinciding with changes to trademark filing and renewal patterns, resulting in some imbalances in the overall fee structure. Additionally, the broader U.S. economy has experienced higher-than-expected inflation recently and, in turn, increased USPTO operating costs. Consequently, the USPTO projects trademark costs will exceed trademark fee collections, resulting in OR levels dipping slightly below minimum in FY 2024–2026. The agency projects the fee proposals expected to take effect in FY 2025 will increase fee collections to the point they exceed trademark spending requirements. With these forecasted excess fee collections added to the trademark OR, it will begin rebounding in FY 2027 and continue to grow through FY 2029.

The USPTO bases OR projections on point-in-time estimates and assumptions that are inherently uncertain and subject to change. Uncertainties around adjustments to examination capacity, time allotted to examiners to perform their work, recompletions of contracts, changes in workload, inflationary increases, and decreases in revenue, among other issues, could impact the USPTO's ability to achieve projected OR levels.

Appendix II: Allocation of Budgetary Requirements to the Patent and Trademark Programs

**PATENT / TRADEMARK SPLIT PER TWO WAY BUSINESS LINE
PROGRAM AND PERFORMANCE: TOTAL OBLIGATIONS**
(Direct Obligations amounts in thousands)

Sub-Activity:	2023			2024			2025		
	Total	Patents	Trademarks	Total	Patents	Trademarks	Total	Patents	Trademarks
Patent Examining	2,420,722	2,420,722	-	2,655,077	2,655,077	-	2,835,271	2,835,271	-
Patent Trial and Appeals	83,425	83,425	-	90,828	90,828	-	89,622	89,622	-
Patent Information Resources	148,646	148,646	-	156,998	156,998	-	158,582	158,582	-
Trademark Examining	219,295	-	219,295	276,021	-	276,021	293,183	-	293,183
Trademark Appeals and Inter Partes Proceedings	16,605	-	16,605	22,950	-	22,950	24,457	-	24,457
Trademark Information Resources	59,199	-	59,199	59,373	-	59,373	50,332	-	50,332
Policy, External Affairs and Administrative Support	30,651	19,250	11,401	36,553	23,019	13,533	37,346	23,523	13,823
Global Intellectual Property Academy (GIPA)	4,318	2,980	1,337	5,323	3,674	1,649	5,401	3,728	1,673
IP Attaché Program	15,471	10,026	5,444	17,308	11,217	6,091	17,318	11,224	6,094
Executive Direction and Communications	30,211	25,494	4,716	47,434	40,002	7,432	53,896	45,475	8,421
Financial Management Services	45,443	38,359	7,084	54,696	46,130	8,566	57,998	48,885	9,113
Human Resource Management and Administrative Services	56,778	49,490	7,288	71,730	62,505	9,225	78,989	68,817	10,172
Legal Services	32,993	25,677	7,316	39,183	30,443	8,740	40,116	31,174	8,942
Management Information Resources	106,775	84,079	22,696	117,078	90,034	27,044	116,372	89,889	26,483
IT Infrastructure and IT Support Services	421,193	331,988	89,205	423,448	333,604	89,844	424,294	334,252	90,042
Miscellaneous General Expense	276,369	247,750	28,618	370,508	313,182	57,325	282,994	232,070	50,924
Total	3,968,093	3,487,888	480,205	4,444,508	3,856,716	587,792	4,566,172	3,972,511	593,660

Department of Commerce
U.S. Patent and Trademark Office
PROGRAM AND PERFORMANCE: TOTAL OBLIGATIONS
(Direct Obligations amounts in thousands)

Sub-Activity:	2026			2027			2028			2029		
	Total	Patents	Trademarks	Total	Patents	Trademarks	Total	Patents	Trademarks	Total	Patents	Trademarks
Patent Examining	2,961,249	2,961,249	-	3,123,963	3,123,963	-	3,271,214	3,271,214	-	3,429,044	3,429,044	-
Patent Trial and Appeals	90,997	90,997	-	91,870	91,870	-	92,782	92,782	-	93,331	93,331	-
Patent Information Resources	157,108	157,108	-	157,563	157,563	-	158,036	158,036	-	158,459	158,459	-
Trademark Examining	308,431	-	308,431	330,094	-	330,094	354,980	-	354,980	378,741	-	378,741
Trademark Appeals and Inter Partes Proceedings	25,833	-	25,833	27,587	-	27,587	28,542	-	28,542	29,109	-	29,109
Trademark Information Resources	51,095		51,095	51,679		51,679	52,131		52,131	52,515		52,515
Policy, External Affairs and Administrative Support	38,199	24,059	14,139	39,102	24,628	14,474	39,999	25,193	14,806	40,753	25,668	15,085
Global Intellectual Property Academy (GIPA)	5,549	3,831	1,719	5,715	3,945	1,770	5,873	4,054	1,819	6,022	4,157	1,865
IP Attaché Program	17,340	11,238	6,102	17,356	11,248	6,108	17,373	11,260	6,114	17,393	11,272	6,121
Executive Direction and Communications	54,748	46,183	8,564	53,994	45,529	8,465	55,443	46,749	8,693	56,695	47,804	8,890
Financial Management Services	60,182	50,712	9,470	58,832	49,413	9,419	60,832	51,080	9,752	62,561	52,521	10,040
Human Resource Management and Administrative Services	82,068	71,504	10,565	84,866	73,944	10,922	87,591	76,321	11,270	89,765	78,215	11,550
Legal Services	40,297	31,521	8,776	41,427	32,406	9,021	42,661	33,371	9,289	43,264	33,830	9,434
Management Information Resources	114,558	88,519	26,039	114,559	88,540	26,019	114,596	88,591	26,005	114,554	88,579	25,975
IT Infrastructure and IT Support Services	423,729	333,727	90,002	424,345	334,130	90,215	424,898	334,480	90,418	425,262	334,692	90,570
Miscellaneous General Expense	278,366	228,751	49,615	277,434	228,328	49,106	285,071	235,244	49,827	290,808	240,560	50,248
Total	4,709,747	4,099,398	610,349	4,900,387	4,265,508	634,879	5,092,021	4,428,374	663,647	5,288,275	4,598,132	690,143

Appendix III: USPTO IT Portfolio

As a production-oriented entity, the USPTO relies upon mission-critical IT to enable every aspect of the agency's operations. The quality, efficiency, and productivity of patent and trademark operations correlate with the performance of their respective IT solutions and the underlying infrastructure on which they operate. The USPTO continuously engages in multiyear efforts to modernize its business systems and the supporting IT infrastructure to keep pace with emerging business, legislative, and judicial needs, as well as constantly evolving technological standards.

The USPTO's enterprise technology objective is to achieve world-class resiliency. The agency is investing in migrating components to the cloud, consolidating data centers, enabling resilience engineering, and providing the basis for an ingress capability that will result in world-class resiliency to meet the agency's constitutional obligations. The USPTO prioritizes its product catalog, accounting for the interconnected needs of legacy solutions that require stabilization and the secure, resilient, and cloud-based modern solutions that represent the USPTO's future. The agency remains focused on retiring aging legacy systems in favor of modern solutions that capitalize on the latest technologies like machine learning, AI, and cloud architecture.

Over the last year, the USPTO established and refined a set of objectives and key results (OKRs), which drive the agency's IT program. Five Patents product line OKRs focus on improving timeliness, quality, and CXs. Three Trademarks product line OKRs mirror Patents' focus on timeliness, quality, and CXs, along with retiring TRAM. Both sets of OKRs directly align with the USPTO's strategic goal to promote efficient delivery of reliable IP rights, which is specifically focused on pendency and quality initiatives as well as government-wide, DOC, and USPTO strategic objectives associated with data governance.

The Enterprise Business and Enterprise Infrastructure Product Lines have three OKRs each to ensure efficient and effective enterprise support is available to make the Patents and Trademarks product lines successful. The product lines' OKRs primarily support the agency's strategic goal to generate impactful employee and customer experiences by maximizing agency operations. The EIPL OKRs specifically focus on cloud migration and decommissioning obsolete infrastructure, as well as government-wide priorities associated with IT security. The Enterprise Business OKRs focus on strategic objectives to deliver exceptional CXs equitably as well as to mature data practices. This work also supports the USPTO's designation as a high-impact service provider (HISP) among federal government agencies. More details on each OKR may be found in the body of this document.

The USPTO uses product-based agile principles and practices for IT delivery to drive collective purpose, efficiency, and faster time to delivery. The USPTO continues to prioritize IT investment to achieve its mission and provide a reliable, predictable IP system for the agency's internal workforce and external stakeholders.

Efforts to stabilize legacy systems and modernize technologies across the USPTO's product catalog require the agency to mature its delivery roles and responsibilities, governance processes, and procurement practices. The USPTO continues to shift delivery teams to a product-based agile operating model and mindset marked by the principles of autonomy, collaboration, empowerment, and

agility. This shift applies to mission-focused and cross-cutting IT products. The product-based agile approach targets the business stakeholders' interests and should ultimately deliver IT solutions with higher business value and greater user adoption.

IT Portfolio Budget

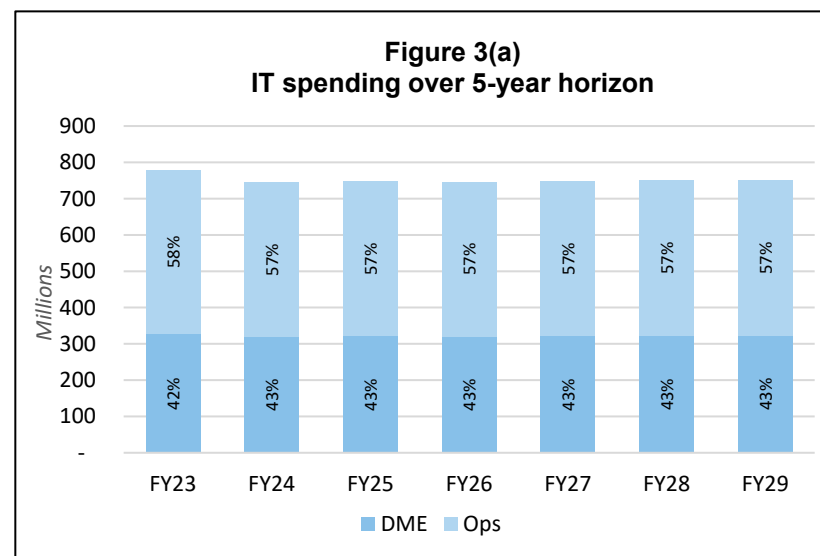
The USPTO's Budget includes \$749.6 million in FY 2025 for the agency's IT program to support Patents, Trademarks, and cross-cutting information resources sub-programs. The USPTO is committed to containing IT costs. The \$749.6 million IT budget for FY 2025 is an approximate 1% decrease from the FY 2024 IT budget, despite upward pressure from inflation, a steady appetite for IT improvements that offer business value to fee-paying customers, and costs increasing proportionally with the USPTO's forecasted growth in patent and trademark applications in areas including storage, cloud solutions, and software.

The result of the USPTO's commitment to contain IT costs is a relatively flat IT budget, as shown in figure 3(a). The agency projects its IT budget will grow \$1 billion less than the rate of inflation over a 10-year period (2021–2030). The USPTO will achieve this cost containment goal via modern equipment in a new data center that will cost less to maintain. In addition, by retiring legacy systems, the agency will:

- Reduce the number of teams needed to maintain legacy systems;
- Reduce hardware and software costs;
- Reduce storage and licensing costs;
- Improve technical debt and patching efficiency; and
- Improve cybersecurity.

The USPTO is also committed to improving acquisition outcomes that may reduce labor costs via effective acquisition planning, improved acquisition requirements documents, competition with robust negotiations, and contract administration.

Of the \$749.6 million in the USPTO's IT budget for FY 2025, \$427.3 million is associated with operational activities, as displayed in figure 3(a). The USPTO requires Ops funds to stabilize and sustain its current level of functionality; performance; and compliance with federal laws, regulations, and directives. Ops funds include such items as compensation for all USPTO staff with a technology focus; operations contracts; data center operations; storage, server, and software maintenance; desktop hardware replacement; telecommunications; and IT support for USPTO locations nationwide.



The USPTO is allocating \$322.3 million in FY 2025 to IT development, modernization, and enhancement efforts. The agency is grouping these resources together, recognizing that it must continually modernize and invest in new IT technologies and applications to enable future mission success.

Total USPTO IT Portfolio by Product Line

The USPTO allocated funding by agency budget programs in FY 2023 through FY 2029 via information resources sub-programs, as displayed in figure 3(b). Within these programs, the USPTO plans to execute the priorities discussed in this Budget document across an organizing principle known as the USPTO IT Product Catalog. This catalog consists of approximately 30 products grouped within four product lines. A product line lead (PLL) resides in each business area and works with their respective business unit leadership to:

- Define the product line's overall goals and objectives and multiyear product roadmaps;
- Ensure the roadmap supports the USPTO's strategic priorities, business unit objectives, and IT priorities; and
- Define and make a business case for the capacity needed to support the product line.

Figure 3(b):
IT Portfolio by Program
(dollars in millions)

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Patent IR	148.6	157.0	158.6	157.1	157.6	158.0	158.5
Trademark IR	59.2	59.4	49.5	50.2	50.8	51.2	51.6
Cross Cutting Functions IR	106.8	117.1	117.7	116.0	116.0	116.1	116.1
IT Infrastructure and IT Support Services	421.2	423.4	423.8	423.2	423.8	424.3	424.7
TOTAL	735.8	756.9	749.6	746.5	748.2	749.7	750.8

The PLLs direct collective work within a product line, liaising as needed among other PLLs, executive stakeholders, and lead product owners (LPOs) to align resources, deliver top priorities, and manage interdependencies. LPOs play a key role in the USPTO's commitment to agile delivery. The agency generally assigns one LPO per product based on the LPO's business area of interest. The LPOs define the product's objectives and ensure it aligns with the business area's strategy and the product line's vision. The LPOs receive training and knowledge-sharing opportunities throughout the fiscal year on how to manage each product using agile best practices, including continuous prioritization of a backlog of features to deliver business value. The LPOs manage both software development and enhancements and have operations responsibilities, including IT security and maintenance. The success of the USPTO's IT program relies on careful coordination and communication among PLLs, LPOs, IT executives, delivery staff, and

business executives to identify, capture, monitor, update, confirm, and reprioritize product backlogs continuously as new information becomes available throughout the fiscal year.

Program Changes

See the narratives about Information Resources activity program changes in the respective program sections and the IT Infrastructure and IT Support Services narrative in the Cross-Cutting Functions section for specific IT program changes. For additional information about government-wide IT spending, please see the [Federal IT Dashboard](#).

Appendix IV: Multiyear Planning by Program

The USPTO operating structure is like a business in that the agency receives requests for services (e.g., applications for patents and trademark registrations) and charges fees projected to cover the costs of performing them over a multiyear product life cycle. Like a business, multiyear planning and budgeting requires an in-depth understanding of the USPTO's financial position, including cost drivers and revenue, unfunded liabilities, and external realities as demonstrated by the strategic plan, patent production model, PTAB production model, trademark production model, and fee projection model. These plans and models provide a five-year forecast. Specifically, demand for patent and trademark services and products and USPTO employees' production work generates both current and future revenue that is essential for the agency to operate effectively and meet the needs of the American people. External influences that affect demand and USPTO workforce productivity significantly impact the USPTO's efforts and resourcing to fulfill its mission.

The USPTO uses this information to forecast five-year requirements and fee collection (revenue) estimates in annual budget documents. The USPTO has established ORs and maintains them to mitigate risk and execute multiyear plans. Using fee setting authority and other tools, the USPTO continuously refines and balances the aggregate revenue and aggregate cost forecasted in its multiyear plan. Fee setting authority allows the USPTO to engage the stakeholder community effectively on fee adjustments, fully recover aggregate costs of the agency's planned operations, develop and maintain sufficient ORs, invest in strategic administration and USPTO initiatives, and respond to changing market demand.

Unlike most businesses, some USPTO fees (e.g., initial application filings) do not cover the full costs of the services the agency performs. The agency sets certain fees below unit costs to promote policy objectives, such as inviting access to the patent and trademark systems, while it sets others above the individual unit cost to ensure the USPTO recovers costs in the aggregate. Therefore, the USPTO must take a long-term view that considers both forecasted demand and associated fee collections as well as projected out-year workload and associated processing costs in projecting the agency's budgetary requirements.

The FY 2025 Budget and multiyear planning framework enable the USPTO to respond to the demands of both the domestic and international economies, provide robust and timely IP products and services, and build on its current level of organizational effectiveness and efficiency.

As part of the USPTO's requirements under the Chief Financial Officers Act of 1990 (CFO Act) and OMB Circular No. A-25 Revised, the USPTO biennially reviews the existing patent and trademark fee schedules and researches, analyzes, and develops recommendations for potential revisions and additions to the schedules. The USPTO also researches the optimal fee schedule to enhance the operating environment and facilitate the agency's effective administration of the U.S. IP system while ensuring the fee schedules continuously meet the needs of the IP environment of the future. Fee reviews are distinct but closely related to the rulemaking process for fee setting.

Operating Reserve (OR)

The GAO recognizes ORs as a best practice for programs 100-percent funded by user fees to enable the alignment of fees and costs over a longer horizon and to prepare for and adjust to fluctuations in collections and costs. To continue promoting confidence in the

U.S. IP system, the USPTO maintains both patent and trademark ORs to absorb and respond to temporary shocks in the economy and to mitigate risk in the USPTO's multiyear operating and financial environments. The ORs enable the USPTO to finance agency operations consistently when:

- Fee collections are partially or wholly unavailable (e.g., during continuing resolutions or government shutdowns);
- Fee collections are lower than expected (e.g., during unexpected economic downturns or legislative changes);
- Seasonal spending requirements exceed seasonal fee collections (e.g., as a result of normal cash flow variability);
- Demand for patent or trademark services unexpectedly increases (e.g., during unexpected economic upturns with increased work volumes or legislative changes); or
- Other unanticipated spending requirements exceed planned estimates that are necessary to maintain USPTO operations.

For instance, in FY 2019, certain federal government departments and agencies, including the DOC, shut down because of a lapse in appropriations. The USPTO remained open using OR funds, allowing the agency to continue operations and prevent a significant degradation in service levels, including pendency time frames. The USPTO also remained open during two brief lapses in appropriations in FY 2018 and one in FY 2014.

Sufficient ORs for the Patent and Trademark programs also allow the USPTO to maintain an adequate operating tempo during temporary periods of significant revenue and funding disruption. For example, the ORs enable the USPTO to avoid making short-term, crisis-based spending decisions that can prevent the agency from delivering on its strategic and performance commitments. In FY 2020, the agency withstood workload and fee collection declines resulting from the economic impacts of the global pandemic and provided relief from certain fee-related deadlines (Coronavirus Aid, Relief, and Economic Security Act) by leveraging both programs' ORs. In FY 2023, the ORs also absorbed unexpected inflationary pressures and the revenue loss associated with the unexpected increase in patent small and micro entity discounts included in the UAIA that went into effect on December 29, 2022. As outlined in this Budget, the ORs are also sustaining operations for the Patent and Trademark programs during FY 2024 until adjusted fees become effective in FY 2025. These examples provide a compelling case for the ORs' significant value.

The USPTO recognizes that the ORs' mitigative uses may change over time due to economic volatility, variability in filings and revenue collections, external and internal enterprise risk, or operational reasons. Therefore, the USPTO annually assesses risk, including cash flow and any planned use of OR funds, as part of the budget process and in accordance with the USPTO's OR policy. The USPTO uses these annual risk assessments to determine the appropriate range for both OR levels. The USPTO manages the ORs within a range of acceptable balances and assesses its options when projected balances fall either below or above that range. Minimum planning targets are intended to address immediate, unplanned changes in the economic or operating environments as the reserve builds to the optimal level. The USPTO reviews the minimum and optimal planning targets every three years to ensure the reserve operating range (between minimum and optimal targets) mitigates the severity of an array of financial risks. Based on the current risk environment, including various risk factors such as economic and funding uncertainty and the high percentage of fixed costs, the USPTO established a minimum planning level of 8% of total spending (or one month) and an optimal, long-range planning

target of 22% (or three months) for the Patent Program as well as a minimum planning level of 23% of total spending (or three months) and an optimal, long-range planning target of 50% (or six months) for the Trademark Program.

USPTO Fee Collection Estimates

As a fee-funded agency, the USPTO relies on user fee collections, which fluctuate based on various external and internal factors, to fund operations. The USPTO prepares an aggregate fee collection estimate to guide its internal management and planning. However, estimates of future-year fee collections are inherently variable, especially in uncertain economic environments. Therefore, in addition to presenting the most likely fee collection estimates in the Budget, the USPTO examines potential impacts on fee collections if some major workload assumptions (i.e., requests for services and products) were to change. This risk-based approach allows the USPTO to have in-depth discussions regarding the estimates and underlying assumptions, which allow the agency to develop thoughtful spending plans.

Economic and Market Outlook

Requests for USPTO services and products depend upon many factors, including U.S. and global economic activity. The USPTO considers several economic factors and relevant indicators when forecasting its demand (i.e., requests for services and products). Major factors include the overall condition of the U.S. and global economies, spending on technological innovation activities, and investments leading to the commercialization of new products and services. The most relevant indicator the USPTO uses is real gross domestic product (RGDP), which is correlated with USPTO patent and trademark application filings—the key drivers of patent and trademark workloads. The USPTO considers RGDP estimates from the Congressional Budget Office (CBO) and other sources when projecting workloads. These factors provide insight into market conditions which influence stakeholders' IP portfolio management decisions, impacting process requests as well as post-issuance decisions to maintain patent and trademark protection.

Developing Workload and Fee Collection Estimates

The USPTO considers economic activity when developing workload forecasts—primarily, patent and trademark application filings. In addition to economic factors, the USPTO considers overseas activity, court decisions, policies and legislation, process efficiencies, and anticipated applicant behavior when preparing estimates. The USPTO develops independent patent and trademark estimates of incoming workload after researching and modeling these elements, as economic and other variables influence patent and trademark activities differently. Estimates of incoming patent and trademark application filings are susceptible to change in response to global economic fluctuations and shocks.

The USPTO develops estimates of workload production, examination, and process requests by incorporating the efficiencies, tools, and policies necessary to increase examination capacity and improve efficiency. In developing estimates, the USPTO also factors in the resources available for it to complete the work. Certain process actions are mandatory while others are discretionary, such as when applicants purchase an extended time frame within which to respond to USPTO actions.

The USPTO develops forecasts of post-allowance activities, maintenance of patents in force, and trademark registration renewal using the same assumptions about the economic environment as incoming work. IP owners carefully manage IP portfolios incorporating current economic and market conditions to decide whether to continue exclusivity of post-allowance rights. The USPTO

consistently compares all workload estimates to past and current workloads, and regularly adjusts projection models based on additional data, knowledge, and experience. The agency then transforms workload estimates into individual estimates for each of the approximately 475 fee codes on the USPTO fee schedule. Individual workload estimates, multiplied by accompanying fee amounts, become the fee collection estimate. The estimates include assumptions about payment behavior based on the current and proposed patent and trademark fee schedules.

Patent Fee Collections

Patent fees cover patent-related services and products the USPTO provides at different intervals within the patent application examination process and over the life of the pending patent application and granted patent. The USPTO's estimate of FY 2025 patent fee collections includes collections for: applications filed in FY 2025, work the agency will process in FY 2025 (e.g., issues), examination and process requests for the year, and patent holders' post-issuance decisions to maintain patent protection. More than half of all patent fee collections are from issue and maintenance fees. Changes in application filing levels immediately impact current-year fee collections because fewer patent application filings mean the USPTO will collect fewer fees in the current year. A decline in patent application filings also has out-year impacts because it decreases total possible production outputs, which, assuming no change in allowance or renewal rates, would lead the USPTO to collect fewer issue and maintenance fee payments in future years.

The USPTO estimates patent fee collections at \$3,972 million for FY 2025, excluding \$50 million in other income. The proposed fee adjustments, assumed to take effect on January 8, 2025, account for \$301 million of this total. The new fee schedule will help to ensure aggregate patent revenue recovers aggregate patent costs following the enactment of the UAIA (which decreased fee collections), higher-than-expected inflation (which increased operating costs), and potential increases in the patent special rate table (which would further increase costs). Absent these proposed fee adjustments, the agency expects FY 2025 fee collections to increase by only \$12 million, or 0.3%, compared to FY 2024, based on increased demand for USPTO services. The fee adjustments bring the total year-over-year increase to \$313 million, or 8.6%. These projections are based on assumptions that serialized (new) patent filings will have a growth rate of 1.5% and RCEs will grow by 24.4%. Patent issues will reflect the USPTO's continued commitment to strengthened examination reliability, capacity, and efficiencies, with an estimated 312,412 patents issued in FY 2025. Patent maintenance fee payments have rebounded from lower renewal rates during the height of the pandemic. By FY 2025, the USPTO expects that renewal rates will resume longer-term trends (particularly the percentage of issued patents that pay third-stage maintenance fees) of slight declines in renewal rates as patent life cycles shorten.

Trademark Fee Collections

Applicants pay trademark fees in advance of USPTO actions. In its estimates of trademark fee collections, the USPTO includes estimated payment amounts for applications filed each year as well as affidavit and renewal fees. Trademark application filings are correlated with the strength of the economy and individual businesses, and tend to be more volatile than patent application filings. Because about half of all fees the USPTO collects for trademark-related services and products are from trademark applications and related filings, trademark fee collections also tend to be more volatile than patent fee collections.

The USPTO estimates trademark fee collections at \$583 million in FY 2025, excluding \$10 million in other income, based on the economic outlook and the agency's expectation that trademark application filings will grow. The proposed fee adjustments, assumed

to take effect on November 23, 2024, account for \$102 million of this total. The new fee schedule will help to ensure aggregate trademark revenue recovers aggregate trademark costs after the USPTO updated projections to account for lower demand (which decreased fee collections) and higher-than-expected inflation (which increased operating costs). Absent these proposed fee adjustments, the agency expects FY 2025 fee collections to increase by only \$20 million, or 4.3%, compared to FY 2024, based on increased demand for USPTO services. The fee adjustments bring the total year-over-year increase to \$122 million, or 26.6%. These projections are based on assumptions that the trademark filing growth rate will be 4.6%. As with patents, variance in trademark filing growth rates immediately impacts current-year fee collections but can also impact future years as the USPTO processes work and registered trademarks become due for renewal.

Fee Rate Assumptions and Continued Assessment of Estimates

The estimates include assumptions about payment behavior based on the current and proposed patent and trademark fee schedules. The current patent fee schedule took effect on December 29, 2022, and the current trademark fee schedule took effect on December 18, 2021. The agency assumes the proposed patent fee schedule will take effect on January 8, 2025. The agency assumes the proposed trademark fee schedule will take effect on November 23, 2024. The aggregate operating costs in this Budget inform the agency's proposed fee adjustments.

The USPTO continues to conduct biennial fee reviews to ensure both the patent and trademark fee structures allow the agency to make continuous strategic improvements to address stakeholder needs and maintain a sustainable funding model to avoid disruptions caused by fluctuations in available financial resources. The USPTO is committed to improving fee schedule design continuously to provide the agency sufficient financial resources to administer the U.S. IP system effectively. Should anticipated operating costs change, the agency will consider impacts to the financial outlook in future fee reviews. The USPTO takes its responsibility to stakeholders seriously and looks forward to maintaining a rigorous and open review process.

The USPTO monitors the economic environment carefully, especially the current uncertain environment, by following economic indicators and trends in international IP offices, communicating with domestic filers of patent and trademark applications, and conferring with the PPAC and TPAC. The USPTO continually analyzes workloads and fee collections to assess current- and future-year estimates as well as to identify trends and behaviors.

Appendix V: USPTO Fee Estimate Changes from FY 2024 PB to FY 2025 PB

In comparison to the FY 2024 PB, updated assumptions and business unit production models have led to lower projected fee collections in the FY 2025 PB. At the same time, however, the FY 2025 PB includes both patent and trademark fee adjustment proposals, which would increase fee collections. In net, the annual fee collections projections have decreased for both the Patent and Trademark business lines in FY 2024, but have increased in FY 2025 and beyond, when the proposed fee adjustments are expected to be in effect.

Fiscal Year	2024	2025	2026	2027	2028	2029
Patents	\$3,658,580,726	\$3,971,883,181	\$4,238,481,813	\$4,338,162,124	\$4,305,186,466	\$4,313,833,161
Trademarks	\$460,725,005	\$583,056,715	\$640,318,884	\$665,555,892	\$694,005,176	\$721,257,985
Grand Total	\$4,119,305,730	\$4,554,939,896	\$4,878,800,696	\$5,003,718,016	\$4,999,191,642	\$5,035,091,146

The following tables compare the projected fee collections, in millions, from the FY 2025 PB to the projected fee collections from the FY 2024 PB. The FY 2024 PB only included projections through FY 2028, therefore FY 2029 is not included in the comparison. The tables show the negative impact on fee collections due to revised assumptions and business unit production models, the impact of fee proposals, and the net difference from the FY 2024 PB to the FY 2025 PB.

Total USPTO Collections	2024	2025	2026	2027	2028
FY 2024 PB	\$4,196	\$4,266	\$4,413	\$4,543	\$4,567
Revised Assumptions and BU (Patent, Trademark, PTAB) Production Models	(\$76)	(\$114)	(\$113)	(\$118)	(\$151)
Impact of Fee Proposals	\$0	\$403	\$579	\$578	\$583
FY 2025 PB	\$4,119	\$4,555	\$4,879	\$5,004	\$4,999
Difference	(\$76)	\$289	\$466	\$460	\$433

Patents	2024	2025	2026	2027	2028
FY 2024 PB	\$3,696	\$3,738	\$3,853	\$3,948	\$3,937
Revised Assumptions and BU (Patent, PTAB) Production Models	(\$38)	(\$67)	(\$49)	(\$47)	(\$69)
Impact of Fee Proposals	\$0	\$301	\$434	\$437	\$437
FY 2025 PB	\$3,659	\$3,972	\$4,238	\$4,338	\$4,305
Difference	(\$38)	\$234	\$386	\$390	\$369

Trademarks	2024	2025	2026	2027	2028
FY 2024 PB	\$500	\$528	\$561	\$596	\$630
Revised Assumptions and Trademark Production Model	(\$39)	(\$47)	(\$64)	(\$71)	(\$82)
Impact of Fee Proposals	\$0	\$102	\$144	\$141	\$146
FY 2025 PB	\$461	\$583	\$640	\$666	\$694
Difference	(\$39)	\$55	\$80	\$70	\$64

The table below shows, by category, the actual fee collections from FY 2023, along with FY 2024 and FY 2025 projected fee collections from the FY 2024 PB and the FY 2025 PB, and the difference between those projections. A few major estimation assumptions are also included in the table. Following the table, there is a category-by-category discussion of the major highlights of the FY 2025 PB and the changes since the FY 2024 PB.

<i>(Dollars in Millions)</i>	FY 2023	FY 2024			FY 2025		
	Actuals	FY 2024 PB Working Estimate	FY 2025 PB Working Estimate	Increase/ (Decrease)	FY 2024 PB Working Estimate	FY 2025 PB Working Estimate	Increase/ (Decrease)
Patents							
Filing (with Excess Claims)	\$863.9	\$894.8	\$876.7	(\$18.2)	\$910.5	\$1,047.1	\$136.7
Post Allowance Fees	\$343.9	\$338.3	\$341.0	\$2.7	\$345.7	\$361.1	\$15.4
Maintenance	\$1,919.0	\$1,988.8	\$1,977.6	(\$11.2)	\$1,995.3	\$2,014.1	\$18.8
PCT	\$222.5	\$235.8	\$227.1	(\$8.7)	\$244.1	\$251.5	\$7.5
Extensions of Time	\$96.8	\$96.0	\$99.5	\$3.5	\$98.6	\$107.8	\$9.2
Other Patent Fees	\$135.1	\$142.4	\$136.7	(\$5.7)	\$143.6	\$190.2	\$46.6
Total Patent Fee Collections	\$3,581.2	\$3,696.1	\$3,658.6	(\$37.5)	\$3,737.7	\$3,971.9	\$234.2
Trademarks							
Application Filings	\$245.0	\$274.9	\$236.1	(\$38.8)	\$296.4	\$310.9	\$14.6
Maintaining Exclusive Rights	\$124.1	\$123.3	\$131.1	\$7.8	\$126.5	\$164.2	\$37.8
Other Trademark Fees	\$87.4	\$101.6	\$93.5	(\$8.1)	\$105.2	\$107.9	\$2.8
Total Trademark Fee Collections	\$456.4	\$499.7	\$460.7	(\$39.0)	\$528.0	\$583.1	\$55.1
USPTO Fee Collections	\$4,037.6	\$4,195.8	\$4,119.3	(\$76.5)	\$4,265.7	\$4,554.9	\$289.2
Estimation Assumptions							

(Dollars in Millions)	FY 2023	FY 2024			FY 2025		
	Actuals	FY 2024 PB Working Estimate	FY 2025 PB Working Estimate	Increase/ (Decrease)	FY 2024 PB Working Estimate	FY 2025 PB Working Estimate	Increase/ (Decrease)
Patent Filings:	Serialized filings growth rate 1.2% (463,259 filings) RCE filings growth rate -2.9% (131,115 filings)	Serialized filings growth rate 2.0% (475,968 filings) RCE filings growth rate 1.8% (126,350 filings)	Serialized filings growth rate 1.5% (469,920 filings) RCE filings growth rate - 3.2% (126,895 filings)	6,048 fewer serialized filings 545 more RCEs	Serialized filings growth rate 2.0% (485,488 filings) RCE filings growth rate 2.1% (129,456 filings)	Serialized filings growth rate 1.5% (476,969 filings) RCE filings growth rate 4.4% (132,448 RCEs)	8,519 fewer serialized filings 2,992 more RCEs
Issue and Publication:	310,405 patents printed	308,909 patents printed	314,143 patents printed	5,234 more patents printed	314,672 patents printed	312,412 patents printed	2,260 fewer patents printed
Trademark Filings	Filings growth rate -6.4% (737,018 filings)	Filings growth rate 5.3% (867,000 filings)	Filings growth rate 0.4% (740,000 filings)	127,000 fewer filings	Filings growth rate 8.0% (936,000 filings)	Filings growth rate 4.6% (774,000 filings)	162,000 fewer filings

Proposed Fee Changes:

- The FY 2025 PB includes proposed fee adjustments for both patents and trademarks.
- The patent fee collection estimates are based on proposed fee adjustments that are assumed to take effect January 8, 2025. Preliminary proposals were shared at a Patent Public Advisory Committee (PPAC) hearing on May 18, 2023. On August 14, 2023, PPAC issued a report with the comments, advice, and recommendations of the committee. The USPTO plans to issue a Notice of Proposed Rulemaking that considers updates to the proposals based on the PPAC report.
- The trademark fee collection estimates are based on proposed fee adjustments that are assumed to take effect November 23, 2024. Preliminary proposals were shared at a Trademark Public Advisory Committee (TPAC) hearing on June 5, 2023.

On August 14, 2023, TPAC issued a report with the comments, advice, and recommendations of the committee. The USPTO plans to issue a Notice of Proposed Rulemaking that considers updates to the proposals based on the TPAC report.

Patent Application Filings:

- FY 2024 serialized (non-RCE) UPR filings are estimated at 469,920, increasing 1.5% from 463,259 filings in FY 2023. This follows a 1.2% increase from FY 2022 to FY 2023. This reflects continued strong demand for IP rights.
- Serialized filings are estimated to be 476,969 (1.5% growth) in FY 2025, and continue to grow by 1.0% in FY 2026 and beyond. These estimates are slightly lower than what was included in the FY 2024 PB. This is in part due to an anticipated decrease in continuation applications, which account for nearly a quarter of new applications.
- RCE filings are estimated to decrease 3.2% in FY 2024, following a 2.9% decline from FY 2022 to FY 2023. These decreases are due to continued efforts to examine patents efficiently and reduce the need for continued examination. In FY 2025, RCE filings are estimated to increase by 4.4%, and continue to grow in the following years, as the number of patent applications filed and examined continues to increase. These estimates have been updated from the FY 2024 PB to account for updated patent production estimates.

Patent Post-Allowance:

- This fee category contains fees paid to issue a patent after the application has been allowed. Therefore, collections in this category are driven directly by the number of patents printed in each fiscal year.
- The allowance rate is assumed to be 60.5% in FY 2024 and 60.1% FY 2025, and between 59.9% and 60.5% from FY 2026 through FY 2029. This is below the 63.0% rate that occurred in FY 2023.
- Total patents printed were 310,405 in FY 2023, and are forecasted to increase 1.2% to 314,143 in FY 2024. The estimate then decreases by 0.6% in FY 2025, to 312,412. However, total patents printed are expected to increase in FY 2026 and beyond.

Patent Maintenance:

- This fee category contains fees paid to keep in force a utility or reissue patent, due at 3 ½, 7 ½, and 11 ½ years after the patent has been issued. Patent holders can pay their maintenance fees up to six months prior to the due date; they can also pay with a late payment surcharge during a six-month grace period following the due date. Collections of maintenance fees vary from year to year based both on the number of patents issued in the past (i.e., the number available to be renewed) and the rate at which patentees decide to renew their patents.
- Projected maintenance renewal rates have changed slightly since the FY 2024 PB, based on recent trends. Renewal rates fell in FY 2020, likely due to economic uncertainty surrounding the pandemic, but recovered stronger than expected over the course of FY 2021 and FY 2022. Renewal rates stabilized in FY 2023, and are expected to resume long-term trends.
- Renewal rate expectations have been updated based on recent data, but are similar to the FY 2024 PB, with projected fee collections for FY 2024 and FY 2025 within 1% of previous estimates.

Patent Cooperation Treaty:

- This fee category contains fees collected from patent applications filed through the PCT process. The specific fees included here are similar to those for the patent application filings category, but through a different filing process.
- FY 2023 PCT fee collections were about \$7.9 million (3.4%) lower than projected in the FY 2024 PB. Accordingly, the updated estimates in the FY 2025 PB are lower than those in the FY 2024 PB, until proposed fee adjustments take effect and increase collections.

Patent Extensions of Time:

- This fee category contains fees paid to extend the period of time an applicant has to reply to an action by the agency. The amount of the fee is dependent upon the length of the extension.
- Extensions of time have been on the decline, but the rate of decline has slowed recently. The FY 2025 PB assumes similar, but slightly higher, rates of requests for extensions of time compared to the FY 2024 PB. In total, collections in this category are forecasted to be 3.7% (\$3.5 million) higher in FY 2024 compared to the FY 2024 PB, and 9.3% (\$9.2 million) higher in FY 2025, with proposed fee adjustments in place for part of the year.

Trademark Application Filings:

- Trademark application filings declined by 16.5% in FY 2022 and 6.4% in FY 2023, returning to more typical levels following a growth of 27.9% in FY 2021. Filings are projected to level out in FY 2024, increasing by 0.4%, and then return to their long-term growth patterns beginning in FY 2025, when growth of 4.6% is expected.
- The FY 2024 PB assumed that trademark filings would resume growth in FY 2023, following the correction in FY 2022. Due to the continued correction in FY 2023, trademark filing estimates have been revised downward to reflect stabilization and growth from the actual FY 2023 filing levels. The updated production model estimates 740,000 filings in FY 2024 (down from 867,000) and 774,000 in FY 2025 (down from 936,000).

Trademark Maintaining Exclusive Rights:

- In order to maintain trademark rights, fees must be paid six years after issue, ten years after issue, and then every ten years after that. Collections of maintaining exclusive rights fees vary from year to year based both on the number of trademarks issued in the past (i.e., the number available to be renewed) and the rate at which trademark owners decide to renew their trademarks.
- Fee collections for maintaining exclusive rights are projected to continue to grow, due to an increase in the number of live registrations. Compared to the FY 2024 PB, fee collections in this category are projected to be \$7.8 million higher in FY 2024 and \$37.8 million higher in FY 2025. The larger difference in FY 2025 reflects the assumption that the fee proposals, which were not included in the FY 2024 PB, will take effect in FY 2025.

Appendix VI: USPTO Estimates and Actual Fees and Assumptions

<i>(Dollars in Millions)</i>	FY 2022	FY 2023		
	Actual September 2022	President's Budget March 2022	Revised Working Estimate March 2023	Actual September 2023
Date of Projection				
Total USPTO Fee Collections	\$4,089	\$4,253	\$4,183	\$4,038
Total Patent Fee Collections	\$3,630	\$3,711	\$3,630	\$3,581
Total Trademark Fee Collections	\$459	\$542	\$476	\$456
Major Patent Fee Collections:				
Filing (with Excess Claims)	\$895	\$942	\$887	\$864
Post Allowance Fees	\$360	\$354	\$343	\$344
Maintenance	\$1,899	\$1,918	\$1,930	\$1,919
PCT	\$230	\$244	\$230.4	\$222.5
Extensions of Time	\$104	\$100	\$97	\$97
Other	\$142	\$152	\$143	\$135
Major Trademark Fee Collections:				
Application Filing	\$255	\$314	\$259	\$245
Maintaining Exclusive Rights	\$116	\$117	\$121	\$124
Other	\$89	\$112	\$95	\$87

Assumptions Used to Develop Fee Collection Estimates				
Filing Growth Rates:	Patent serialized filings growth rate 1.6% (457,486 filings) Patent RCE filings growth rate -7.0% (135,076 filings) Trademark filings growth rate -16.5% (787,728 filings)	Patent serialized filings growth rate 2.0% (466,495 filings) Patent RCE filings growth rate -1.3% (140,698 RCEs) Trademark filings growth rate 13.6% (991,000 filings)	Patent serialized filings growth rate 2.0% (466,636 filings) Patent RCE filings growth rate -7.4% (125,105 filings) Trademark filings growth rate 4.5% (823,000 filings)	Patent serialized filings growth rate 1.2% (463,259 filings) Patent RCE filings growth rate -2.9% (131,115 filings) Trademark filings growth rate -6.4% (737,018 filings)
Patent Issue:	320,028 patents printed	315,903 patents printed	311,731 patents printed	310,405 patents printed
Patents Fee Adjustments:	N/A	N/A	Based on the patent fee schedule that took effect on December 29, 2022 when the President signed into law the <i>Consolidated Appropriations Act, 2023</i> , which included the <i>Unleashing American Innovators Act of 2022</i> . The law increased small entity discounts from 50 percent to 60 percent and micro entity discounts from 75 percent to 80 percent.	Based on the patent fee schedule that took effect on December 29, 2022 when the President signed into law the <i>Consolidated Appropriations Act, 2023</i> , which included the <i>Unleashing American Innovators Act of 2022</i> . The law increased small entity discounts from 50 percent to 60 percent and micro entity discounts from 75 percent to 80 percent.
Trademarks Fee Adjustments:	Changes to implement provisions of the Trademark Modernization Act of 2020, including some fee adjustments, published November 2021 with effective date of December 18, 2021.	N/A	N/A	N/A

<i>(Dollars in Millions)</i>		FY 2023	FY 2024	FY 2025
		Actual September 2023	Revised Working Estimate February 2024	President's Budget Working Estimate February 2024
Date of Projection				
Total USPTO Fee Collections		\$4,038	\$4,119	\$4,555
Total Patent Fee Collections		\$3,581	\$3,659	\$3,972
Total Trademark Fee Collections		\$456	\$461	\$583
Major Patent Fee Collections:				
Filing (with Excess Claims)		\$864	\$877	\$1,047
Post Allowance		\$344	\$341	\$361
Maintenance		\$1,919	\$1,978	\$2,014
PCT		\$223	\$227	\$252
Extensions of Time		\$97	\$100	\$108
Other		\$135	\$137	\$190
Major Trademark Fee Collections:				
Application Filings		\$245	\$236	\$311
Maintaining Exclusive Rights		\$124	\$131	\$164
Other		\$87	\$94	\$108

Assumptions Used to Develop Fee Collection Estimates			
Filing Growth Rates:	Patent serialized filings growth rate 1.2% (463,259 filings) Patent RCE filings growth rate -2.9% (131,115 filings) Trademark filings growth rate -6.4% (737,018 filings)	Patent serialized filings growth rate 1.5% (469,920 filings) Patent RCE filings growth rate -3.2%(126,895 filings) Trademark filings growth rate 0.4% (740,000 filings)	Patent serialized filings growth rate 1.5% (476,969 filings) Patent RCE filings growth rate 4.4% (132,448 RCEs) Trademark filings growth rate 4.6% (774,000 filings)
Patent Issue:	310,405 patents printed	314,143 patents printed	312,412 patents printed
Patent Fee Adjustments:	Based on the patent fee schedule that took effect on December 29, 2022 when the President signed into law the <i>Consolidated Appropriations Act, 2023</i> , which included the <i>Unleashing American Innovators Act of 2022</i> . The law increased small entity discounts from 50 percent to 60 percent and micro entity discounts from 75 percent to 80 percent.	N/A	Based on proposed patent fee adjustments, with assumed effective date of January 8, 2025.
Trademark Fee Adjustments:	N/A	N/A	Based on proposed trademark fee adjustments, with assumed effective date of November 23, 2024.

Appendix VII: FY 2023 Fee Report

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
Patents Fee Summary:				
	Patent Application Filing Fees		\$942,493,528	\$863,924,045
	Patent Post Allowance Fees		\$353,800,918	\$343,927,605
	Patent Maintenance Fees		\$1,918,486,528	\$1,918,950,255
	Patent Extension of Time Fees		\$100,488,070	\$96,756,574
	Patent Trial and Appeals Fees		\$76,477,137	\$58,755,499
	Post Issuance Fees		\$14,273,120	\$17,625,885
	Patent Cooperation Treaty (PCT) Fees		\$243,701,431	\$222,517,847
	Hague International Design Application Fees		\$2,339,395	\$3,581,034
	Patent Petition Fees		\$18,142,675	\$15,473,397
	Patent Service Fees		\$2,326,758	\$2,251,270
	Miscellaneous Patent Fees		\$37,626,162	\$36,245,731
	Patent Enrollment Fees		\$1,123,390	\$1,138,817
	Finance Service Fees		\$46,528	\$46,570
	Total Patents Fees		\$3,711,325,640	\$3,581,194,529
Trademarks Fee Summary:				
	Application Filings		\$313,906,649	\$244,994,175
	Maintaining Exclusive Rights		\$116,663,130	\$124,070,075
	Intent to Use/Use Fees		\$66,918,946	\$50,468,675
	Madrid Protocol Fees		\$7,159,244	\$7,464,050
	Trademark Trial and Appeal Board		\$12,725,783	\$12,203,275
	Other Trademark Fees		\$13,139,975	\$12,305,866
	Trademark Processing Fees		\$11,558,406	\$4,906,525
	Finance Service Fees		\$6,058	\$5,935
	Total Trademarks Fees		\$542,078,192	\$456,418,577
	Total United States Patent and Trademark Office		\$4,253,403,831	\$4,037,613,106

Patents

Patent Filing Fees (Large Entity):

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
1005	Provisional application filing fee	\$300	\$18,472,500	\$18,318,964
1011	Basic filing fee - Utility (electronic filing)	\$320	\$77,170,880	\$78,985,661
1012	Basic filing fee - Design	\$220	\$4,904,680	\$3,647,620
1013	Basic filing fee - Plant	\$220	\$117,920	\$96,400
1014	Basic filing fee - Reissue	\$320	\$165,760	\$136,320
1017	Basic filing fee - Design (CPA)	\$220	\$227,920	\$119,020
1019	Basic filing fee - Reissue (CPA)	\$320	-\$9,600	\$1,920
1051	Surcharge - Late filing fee, search fee, examination fee or oath or declaration, or application filed without at least one claim or by reference	\$160	\$12,358,080	\$11,515,180
1052	Surcharge - Late provisional filing fee or cover sheet	\$60	\$83,580	\$72,240
1053	Non-English translation	\$140	\$257,740	\$218,960
1054	Non-DOCX Filing Surcharge Fee		\$10,915,866	\$0
1081	Utility Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$420	\$8,197,140	\$7,913,140
1082	Design Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$420	\$79,380	\$62,160
1084	Reissue Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$420	\$18,900	\$11,340
1085	Provisional Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$420	\$3,958,080	\$3,919,440
1091	Submission of sequence listings of 300MB to 800MB	\$1,060	\$9,540	\$32,920
1092	Submission of sequence listings of more than 800MB	\$10,500	\$10,500	\$21,000
1111	Utility Search Fee	\$700	\$167,801,200	\$171,435,180
1112	Design Search Fee	\$160	\$3,678,880	\$2,715,520
1113	Plant Search Fee	\$440	\$235,840	\$192,780
1114	Reissue Search Fee	\$700	\$358,400	\$299,600
1201	Independent claims in excess of three	\$480	\$21,641,760	\$17,528,460
1202	Claims in excess of 20	\$100	\$32,629,300	\$26,618,600
1203	Multiple dependent claim	\$860	\$676,820	\$541,840
1204	Reissue independent claims in excess of three	\$480	\$265,920	\$184,800
1205	Reissue claims in excess of 20	\$100	\$453,100	\$314,900
1311	Utility Examination Fee	\$800	\$192,393,600	\$196,700,684
1312	Design Examination Fee	\$640	\$14,730,240	\$10,884,520
1313	Plant Examination Fee	\$660	\$353,760	\$289,160
1314	Reissue Examination Fee	\$2,320	\$1,194,800	\$995,280

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
1801	Request for continued examination (RCE) - 1st request (see 37 CFR 1.114)	\$1,360	\$103,691,840	\$101,926,740
1817	Request for prioritized examination	\$4,200	\$27,262,200	\$21,487,200
1820	Request for continued examination (RCE) - 2nd and subsequent request (see 37 CFR 1.114)	\$2,000	\$65,136,000	\$53,332,200
Total Patent Filing Fees (Large Entity)			\$769,442,526	\$730,519,749

Patents

Patent Filing Fees (Small Entity):

2005	Provisional application filing fee	\$120	\$10,611,000	\$7,957,921
2011	Basic filing fee - Utility (paper filing)	\$128	\$48,320	\$30,134
2012	Basic filing fee - Design	\$88	\$2,533,630	\$1,729,485
2013	Basic filing fee - Plant	\$88	\$50,600	\$39,050
2014	Basic filing fee - Reissue	\$128	\$31,840	\$24,736
2017	Basic filing fee - Design (CPA)	\$88	\$77,440	\$33,176
2019	Basic filing fee - Reissue (CPA)	\$128	\$5,280	\$192
2051	Surcharge - Late filing fee, search fee, examination fee or oath or declaration, or application filed without at least one claim or by reference	\$64	\$2,716,080	\$2,075,808
2052	Surcharge - Late provisional filing fee or cover sheet	\$24	\$75,720	\$46,074
2053	Non-English translation	\$56	\$60,620	\$43,806
2054	Non-DOCX Filing Surcharge Fee		\$2,012,287	\$0
2081	Utility Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$168	\$2,208,570	\$1,918,032
2082	Design Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$168	\$24,570	\$12,894
2084	Reissue Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$168	\$1,890	\$3,360
2085	Provisional Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$168	\$1,998,990	\$1,621,074
2091	Submission of sequence listings of 300MB to 800MB	\$424	\$0	\$21,942
2092	Submission of sequence listings of more than 800MB	\$4,200	\$0	\$19,950
2111	Utility Search Fee	\$280	\$30,176,650	\$24,075,240
2112	Design Search Fee	\$64	\$1,873,680	\$1,272,224
2113	Plant Search Fee	\$176	\$100,980	\$78,276
2114	Reissue Search Fee	\$280	\$70,000	\$52,500

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
2201	Independent claims in excess of three	\$192	\$3,774,240	\$2,788,664
2202	Claims in excess of 20	\$40	\$8,220,150	\$6,122,920
2203	Multiple dependent claim	\$344	\$227,470	\$175,480
2204	Reissue independent claims in excess of three	\$192	\$49,200	\$22,368
2205	Reissue claims in excess of 20	\$40	\$74,750	\$53,410
2311	Utility Examination Fee	\$320	\$34,579,200	\$27,589,440
2312	Design Examination Fee	\$256	\$7,496,000	\$5,094,188
2313	Plant Examination Fee	\$264	\$151,800	\$117,414
2314	Reissue Examination Fee	\$928	\$232,000	\$174,928
2801	Request for continued examination (RCE) - 1st request (see 37 CFR 1.114)	\$544	\$14,311,280	\$12,577,144
2817	Request for prioritized examination	\$1,680	\$15,716,400	\$13,214,040
2820	Request for continued examination (RCE) - 2nd and subsequent request (see 37 CFR 1.114)	\$800	\$9,453,000	\$7,225,600
4011	Basic filing fee - Utility (electronic filing)	\$64	\$6,951,840	\$5,562,645
Total Patent Filing Fees (Small Entity)			\$155,915,477	\$121,774,115

Patents

Patent Filing Fees (Micro Entity):

3005	Provisional application filing fee	\$60	\$2,076,300	\$1,313,520
3011	Basic filing fee - Utility (electronic filing)	\$64	\$1,249,280	\$919,261
3012	Basic filing fee - Design	\$44	\$1,084,545	\$648,131
3013	Basic filing fee - Plant	\$44	\$220	\$297
3014	Basic filing fee - Reissue	\$64	\$960	\$640
3017	Basic filing fee - Design (CPA)	\$44	\$7,315	\$2,013
3051	Surcharge - Late filing fee, search fee, examination fee or oath or declaration, or application filed without at least one claim or by reference	\$32	\$161,600	\$102,744
3052	Surcharge - Late provisional filing fee or cover sheet	\$12	\$48,660	\$20,934
3053	Non-English translation	\$28	\$1,645	\$840
3054	Non-DOCX Filing Surcharge Fee		\$176,680	\$0
3081	Utility Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$84	\$22,050	\$8,421
3082	Design Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$84	\$840	-\$189

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
3084	Reissue Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$84	\$0	\$0
3085	Provisional Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$84	\$25,305	\$7,812
3091	Submission of sequence listings of 300MB to 800MB	\$212	\$0	\$1,166
3092	Submission of sequence listings of more than 800MB	\$2,100	\$0	-\$2,625
3111	Utility Search Fee	\$140	\$2,693,775	\$1,966,770
3112	Design Search Fee	\$32	\$788,200	\$469,456
3113	Plant Search Fee	\$88	\$440	\$682
3114	Reissue Search Fee	\$140	\$2,100	\$1,575
3201	Independent claims in excess of three	\$96	\$181,200	\$155,160
3202	Claims in excess of 20	\$20	\$211,200	\$155,840
3203	Multiple dependent claim	\$172	\$17,415	\$21,285
3204	Reissue independent claims in excess of three	\$96	\$960	\$624
3205	Reissue claims in excess of 20	\$20	\$2,875	\$420
3311	Utility Examination Fee	\$160	\$3,082,800	\$2,253,150
3312	Design Examination Fee	\$128	\$3,154,720	\$1,877,856
3313	Plant Examination Fee	\$132	\$660	\$1,023
3314	Reissue Examination Fee	\$464	\$6,960	\$5,220
3801	Request for continued examination (RCE) - 1st request (see 37 CFR 1.114)	\$272	\$749,020	\$601,475
3817	Request for prioritized examination	\$840	\$1,077,300	\$847,980
3820	Request for continued examination (RCE) - 2nd and subsequent request (see 37 CFR 1.114)	\$400	\$310,500	\$248,700
Total Patent Filing Fees (Micro Entity)			\$17,135,525	\$11,630,181

Patents

Patent Post Allowance Fees (Large Entity):

1501	Utility Issue	\$1,200	\$290,752,651	\$289,024,520
1502	Design Issue	\$740	\$13,373,056	\$10,602,480
1503	Plant Issue	\$840	\$572,679	\$308,320
1505	Publication fee for republication	\$320	\$25,980	\$32,640
1506	Suspense Account for Partial Issue Payments	var	\$5,000	\$1,458
1508	Issue Fee - owed over current fee	var	\$0	\$17,499

<u>Fee</u> Code	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget</u> Planned Fee Collections	<u>Actual Fee</u> Collections
1509	Hague Design Issue Fee	\$740	\$0	\$127,280
1511	Reissue Issue	\$1,200	\$478,932	\$429,600
Total Patent Post Allowance Fees (Large Entity)			\$305,208,299	\$300,543,797

Patents

Patent Post Allowance Fees (Small Entity):

2501	Utility Issue	\$480	\$39,634,299	\$35,884,016
2502	Design Issue	\$296	\$5,179,160	\$3,928,126
2503	Plant Issue	\$336	\$250,978	\$130,620
2505	Publication fee for republication	\$320	\$640	\$640
2509	Hague Design Issue Fee	\$296	\$0	\$23,680
2511	Reissue Issue	\$480	\$65,112	\$40,200
Total Patent Post Allowance Fees (Small Entity)			\$45,130,190	\$40,007,282

Patents

Patent Post Allowance Fees (Micro Entity):

3501	Utility Issue	\$240	\$2,383,197	\$1,945,450
3502	Design Issue	\$148	\$1,076,412	\$1,426,944
3503	Plant Issue	\$168	\$873	\$1,092
3509	Hague Design Issue Fee	\$148	\$0	\$1,480
3511	Reissue Issue	\$240	\$1,947	\$1,560
Total Patent Post Allowance Fees (Micro Entity)			\$3,462,429	\$3,376,526

Patents

Patent Maintenance Fees (Large Entity):

1551	Due at 3.5 years	\$2,000	\$484,585,123	\$495,300,000
1552	Due at 7.5 years	\$3,760	\$613,869,854	\$625,336,880
1553	Due at 11.5 years	\$7,700	\$635,100,423	\$640,193,400
1554	Surcharge - 3.5 year - Late payment within 6 months	\$500	\$1,863,973	\$1,315,000
1555	Surcharge - 7.5 year - Late payment within 6 months	\$500	\$1,952,100	\$1,067,500

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
1556	Surcharge - 11.5 year - Late payment within 6 months	\$500	\$693,163	\$677,500
1558	Petition for the delayed payment of the fee for maintaining a patent in force	\$2,100	\$1,219,414	\$1,150,800
1559	Patent Unassigned Maintenance Fees	var	\$1,700,000	\$1,784,231
Total Patent Maintenance Fees (Large Entity)			\$1,740,984,050	\$1,766,825,311

Patents

Patent Maintenance Fees (Small Entity):

2551	Due at 3.5 years	\$800	\$56,673,118	\$47,794,400
2552	Due at 7.5 years	\$1,504	\$59,270,701	\$50,310,520
2553	Due at 11.5 years	\$3,080	\$49,557,115	\$43,603,410
2554	Surcharge - 3.5 year - Late payment within 6 months	\$200	\$1,637,101	\$1,356,250
2555	Surcharge - 7.5 year - Late payment within 6 months	\$200	\$1,048,884	\$834,550
2556	Surcharge - 11.5 year - Late payment within 6 months	\$200	\$360,550	\$389,950
2558	Petition for the delayed payment of the fee for maintaining a patent in force	\$840	\$1,494,635	\$1,450,950
Total Patent Maintenance Fees (Small Entity)			\$170,042,104	\$145,740,030

Patents

Patent Maintenance Fees (Micro Entity):

3551	Due at 3.5 years	\$400	\$3,244,111	\$2,528,100
3552	Due at 7.5 years	\$752	\$2,266,742	\$2,171,964
3553	Due at 11.5 years	\$1,540	\$1,493,903	\$1,212,750
3554	Surcharge - 3.5 year - Late payment within 6 months	\$100	\$176,729	\$152,775
3555	Surcharge - 7.5 year - Late payment within 6 months	\$100	\$71,985	\$78,900
3556	Surcharge - 11.5 year - Late payment within 6 months	\$100	\$22,988	\$26,275
3558	Petition for the delayed payment of the fee for maintaining a patent in force	\$420	\$183,914	\$214,150
Total Patent Maintenance Fees (Micro Entity)			\$7,460,374	\$6,384,914

Patents

Patent Extension of Time Fees (Large Entity):

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
1251	Extension for response within first month	\$220	\$13,533,300	\$13,461,280
1252	Extension for response within second month	\$640	\$14,601,600	\$14,784,163
1253	Extension for response within third month	\$1,480	\$27,948,320	\$29,120,969
1254	Extension for response within fourth month	\$2,320	\$4,055,360	\$3,879,504
1255	Extension for response within fifth month	\$3,160	\$7,798,880	\$6,684,583
Total Patent Extension of Time Fees (Large Entity)			\$67,937,460	\$67,930,499

Patents

Patent Extension of Time Fees (Small Entity):

2251	Extension for response within first month	\$88	\$3,043,150	\$2,698,256
2252	Extension for response within second month	\$256	\$4,806,720	\$4,207,243
2253	Extension for response within third month	\$592	\$16,164,560	\$14,967,508
2254	Extension for response within fourth month	\$928	\$2,655,240	\$2,253,641
2255	Extension for response within fifth month	\$1,264	\$4,123,800	\$3,243,935
Total Patent Extension of Time Fees (Small Entity)			\$30,793,470	\$27,370,583

Patents

Patent Extension of Time Fees (Micro Entity):

3251	Extension for response within first month	\$44	\$192,500	\$150,200
3252	Extension for response within second month	\$128	\$315,360	\$246,319
3253	Extension for response within third month	\$296	\$920,930	\$824,783
3254	Extension for response within fourth month	\$464	\$160,080	\$120,929
3255	Extension for response within fifth month	\$632	\$168,270	\$113,261
Total Patent Extension of Time Fees (Micro Entity)			\$1,757,140	\$1,455,492

Patents

Patent Trial and Appeal Fees (Large Entity):

1401	Notice of appeal	\$840	\$9,267,282	\$7,219,960
1403	Request for oral hearing	\$1,360	\$519,905	\$371,280
1404	Filing a brief in support of an appeal in an inter partes reexamination proceeding	\$2,100	\$15,436	\$21,000
1405	Petitions to the Chief Administrative Patent Judge under 37 CFR 41.3	\$420	\$19,740	\$49,980

<u>Fee</u> Code	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget</u> Planned Fee Collections	<u>Actual Fee</u> Collections
1406	Inter partes review request fee - Up to 20 claims	\$19,000	\$27,463,192	\$22,933,000
1407	Inter partes review request of each claim in excess of 20	\$375	\$1,147,076	\$1,002,000
1408	Post-grant or covered business method review request fee - Up to 20 claims	\$20,000	\$1,691,377	\$600,000
1409	Post-grant or covered business method review request of each claim in excess of 20	\$475	\$131,400	\$80,275
1412	Petition for a derivation proceeding	\$420	\$4,200	\$2,520
1413	Forwarding an appeal in an application or ex parte reexamination proceeding to the Board	\$2,360	\$10,687,626	\$7,797,440
1414	Inter partes review post-institution fee - Up to 20 claims	\$22,500	\$20,387,109	\$14,637,000
1415	Inter partes post-institution request of each claim in excess of 20	\$750	\$655,590	\$1,019,250
1416	Post-grant or covered business method review post-institution fee - Up to 20 claims	\$27,500	\$995,275	\$504,500
1417	Post-grant or covered business method review post-institution request of each claim in excess of 20	\$1,050	\$13,777	\$162,750
1418	Pro Hac Vice Admission Fee	\$250	\$306,000	\$189,250
Total Patent Trial and Appeals Fees (Large Entity)			\$73,304,985	\$56,590,205

Patents

Patent Trial and Appeals Fees (Small Entity):

2401	Notice of appeal	\$336	\$1,520,699	\$1,069,200
2403	Request for oral hearing	\$544	\$94,400	\$60,656
2404	Filing a brief in support of an appeal in an inter partes reexamination proceeding	\$840	\$2,448	\$1,050
2413	Forwarding an appeal in an application or ex parte reexamination proceeding to the Board	\$944	\$1,401,328	\$929,604
Total Patent Trial and Appeals Fees (Small Entity)			\$3,018,874	\$2,060,510

Patents

Patent Trial and Appeals Fees (Micro Entity):

3401	Notice of appeal	\$168	\$72,283	\$46,788
3403	Request for oral hearing	\$272	\$3,875	\$3,944
3404	Filing a brief in support of an appeal in an inter partes reexamination proceeding	\$420	\$136	\$420
3413	Forwarding an appeal in an application or ex parte reexamination proceeding to the Board	\$472	\$76,984	\$53,632
Total Patent Trial and Appeals Fees (Micro Entity)			\$153,277	\$104,784

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
Patents				
Post Issuance Fees (Large Entity):				
1811	Certificate of correction	\$160	\$1,248,000	\$1,070,080
1812	Ex Parte Reexamination (ç 1.510(a)) Non-streamlined	\$12,600	\$2,494,800	\$2,047,200
1814	Statutory disclaimer, including terminal disclaimer	\$170	\$6,538,710	\$9,765,300
1816	Processing fee for correcting inventorship in a patent	\$160	\$64,960	\$47,860
1821	Reexamination independent claims in excess of three and also in excess of the number of such claims in the patent under reexamination	\$480	\$16,320	\$36,000
1822	Reexamination claims in excess of 20 and also in excess of the number of claims in the patent under reexamination	\$100	\$64,100	\$116,500
1825	Refused Reexamination Requests	\$3,780	\$7,560	\$15,120
1826	Request for supplemental examination	\$4,620	\$110,880	\$78,540
1827	Reexamination ordered as a result of supplemental examination	\$12,700	\$190,500	\$177,800
1828	Supplemental Examination Document Size Fee - for nonpatent document having between 21 and 50 sheets	\$180	\$3,060	\$2,340
1829	Supplemental Examination Document Size Fee - for each additional 50 sheets or a fraction thereof in a nonpatent document	\$300	\$4,800	\$1,500
1831	Ex Parte Reexamination (ç 1.510(a)) Streamlined	\$6,300	\$138,600	\$138,600
Total Post Issuance Fees (Large Entity)			\$10,882,290	\$13,496,840

Patents

Post Issuance Fees (Small Entity):

2811	Certificate of correction	\$160	\$298,560	\$315,520
2812	Ex Parte Reexamination (ç 1.510(a)) Non-streamlined	\$5,040	\$296,100	\$189,000
2814	Statutory disclaimer, including terminal disclaimer	\$170	\$2,276,640	\$3,243,090
2816	Processing fee for correcting inventorship in a patent	\$160	\$20,960	\$26,080
2821	Reexamination independent claims in excess of three and also in excess of the number of such claims in the patent under reexamination	\$192	\$5,760	\$6,240
2822	Reexamination claims in excess of 20 and also in excess of the number of claims in the patent under reexamination	\$40	\$21,150	\$8,550
2826	Request for supplemental examination	\$1,848	\$30,030	\$21,252
2827	Reexamination ordered as a result of supplemental examination	\$5,080	\$69,850	-\$24,130
2828	Supplemental Examination Document Size Fee - for nonpatent document having between 21 and 50 sheets	\$72	\$720	\$558

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
2829	Supplemental Examination Document Size Fee - for each additional 50 sheets or a fraction thereof in a nonpatent document	\$120	\$12,600	\$1,590
2831	Ex Parte Reexamination (<i>ç</i> 1.510(a)) Streamlined	\$2,520	\$226,800	\$165,060
Total Post Issuance Fees (Small Entity)			\$3,259,170	\$3,952,810

Patents

Post Issuance Fees (Micro Entity):

3811	Certificate of correction	\$160	\$8,160	\$12,800
3812	Ex Parte Reexamination (<i>ç</i> 1.510(a)) Non-streamlined	\$2,520	\$0	\$0
3814	Statutory disclaimer, including terminal disclaimer	\$170	\$116,960	\$154,190
3816	Processing fee for correcting inventorship in a patent	\$160	\$1,600	\$2,080
3821	Reexamination independent claims in excess of three and also in excess of the number of such claims in the patent under reexamination	\$96	\$2,640	\$0
3822	Reexamination claims in excess of 20 and also in excess of the number of claims in the patent under reexamination	\$20	\$2,300	\$0
3826	Request for supplemental examination	\$924	\$0	\$1,155
3827	Reexamination ordered as a result of supplemental examination	\$2,540	\$0	\$3,175
3828	Supplemental Examination Document Size Fee - for nonpatent document having between 21 and 50 sheets	\$36	\$0	\$0
3829	Supplemental Examination Document Size Fee - for each additional 50 sheets or a fraction thereof in a nonpatent document	\$60	\$0	\$0
3831	Ex Parte Reexamination (<i>ç</i> 1.510(a)) Streamlined	\$1,260	\$0	\$2,835
Total Post Issuance Fees (Micro Entity)			\$131,660	\$176,235

Patents

PCT Fees - National Stage (Large Entity):

1614	Independent claims in excess of three	\$480	\$7,205,760	\$5,961,760
1615	Claims in excess of 20	\$100	\$7,934,500	\$8,386,600
1616	Multiple dependent claim	\$860	\$483,320	\$505,400
1617	Search fee, examination fee or oath or declaration after the date of commencement of the national stage	\$160	\$4,462,324	\$3,550,840

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
1618	English translation after thirty months from priority date	\$140	\$212,225	\$242,620
1631	Basic National Stage Fee	\$320	\$26,867,496	\$25,375,520
1632	National Stage Search Fee - all other situations	\$700	\$2,083,977	\$648,240
1633	National Stage Examination Fee - all other situations	\$800	\$66,898,122	\$63,205,080
1641	National Stage Search Fee - U.S. was the ISA	\$140	\$356,841	\$387,520
1642	National Stage Search Fee - search report prepared and provided to USPTO	\$540	\$42,317,541	\$40,710,440
1681	National Stage Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$420	\$3,952,200	\$3,851,360
Total PCT Fees - National Stage (Large Entity)			\$162,774,305	\$152,825,380

Patents

PCT Fees - National Stage (Small Entity):

2614	Independent claims in excess of three	\$192	\$1,486,080	\$1,021,524
2615	Claims in excess of 20	\$40	\$2,999,050	\$2,495,460
2616	Multiple dependent claim	\$344	\$176,730	\$197,416
2617	Search fee, examination fee or oath or declaration after the date of commencement of the national stage	\$64	\$1,048,108	\$811,823
2618	English translation after thirty months from priority date	\$56	\$90,398	\$66,906
2631	Basic National Stage Fee	\$128	\$4,740,641	\$3,959,396
2632	National Stage Search Fee - all other situations	\$280	\$508,518	\$306,210
2633	National Stage Examination Fee - all other situations	\$320	\$11,640,006	\$9,714,855
2641	National Stage Search Fee - U.S. was the ISA	\$56	\$430,597	\$388,262
2642	National Stage Search Fee - search report prepared and provided to USPTO	\$216	\$5,801,232	\$4,845,961
2681	National Stage Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$168	\$1,207,290	\$1,034,914
Total PCT Fees - National Stage (Small Entity)			\$30,128,651	\$24,842,727

Patents

PCT Fees - National Stage (Micro Entity):

3614	Independent claims in excess of three	\$96	\$38,040	\$20,664
3615	Claims in excess of 20	\$20	\$56,825	\$39,780
3616	Multiple dependent claim	\$172	\$14,835	\$8,547
3617	Search fee, examination fee or oath or declaration after the date of commencement of the national stage	\$32	\$13,005	\$8,294

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
3618	English translation after thirty months from priority date	\$28	\$2,895	\$2,289
3631	Basic National Stage Fee	\$64	\$149,206	\$104,304
3632	National Stage Search Fee - all other situations	\$140	\$35,522	\$19,175
3633	National Stage Examination Fee - all other situations	\$160	\$360,667	\$253,040
3641	National Stage Search Fee - U.S. was the ISA	\$28	\$9,266	\$6,188
3642	National Stage Search Fee - search report prepared and provided to USPTO	\$108	\$183,889	\$133,819
3681	National Stage Application Size Fee - for each additional 50 sheets that exceeds 100 sheets	\$84	\$8,190	\$3,444
Total PCT Fees - National Stage (Micro Entity)			\$872,339	\$599,544

Patents

PCT Fees - International Stage (Large Entity):

1601	Transmittal fee	\$260	\$9,739,126	\$8,551,520
1602	Search fee - regardless of whether there is a corresponding application (see 35 U.S.C. 361(d) and PCT Rule 16)	\$2,180	\$17,253,103	\$16,423,520
1604	Supplemental search fee when required, per additional invention	\$2,180	\$672,247	\$712,660
1605	Preliminary examination fee - U.S. was the ISA	\$640	\$145,949	\$120,960
1606	Preliminary examination fee - U.S. was not the ISA	\$800	\$155,866	\$60,000
1607	Supplemental examination fee per additional invention	\$640	\$3,791	\$8,960
1619	Late payment fee	var	\$131,145	\$98,455
1621	Transmitting application to Intl. Bureau to act as receiving office	\$260	\$122,420	\$62,360
1624	Suspense Account for PCT Payments		\$0	\$120,413
1627	Late Furnishing Fee for Providing a Sequence Listing in Response to an Invitation Under PCT Rule 13ter	\$320	\$77,760	\$73,600
1628	Petition for the extension of the twelve-month (six-month for designs) period for filing a subsequent application	\$2,100	\$0	\$60,900
Total PCT Fees - International Stage (Large Entity)			\$28,301,406	\$26,293,348

Patents

PCT Fees - International Stage (Small Entity):

2601	Transmittal fee	\$104	\$2,764,487	\$2,128,242
2602	Search fee - regardless of whether there is a corresponding application (see 35 U.S.C. 361(d) and PCT Rule 16)	\$872	\$17,003,373	\$14,313,912
2604	Supplemental search fee when required, per additional invention	\$872	\$756,618	\$696,292
2605	Preliminary examination fee - U.S. was the ISA	\$256	\$165,622	\$111,040
2606	Preliminary examination fee - U.S. was not the ISA	\$320	\$25,902	\$9,440
2607	Supplemental examination fee per additional invention	\$256	\$6,548	\$4,608

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
2619	Late payment fee	var	\$2,035	\$1,097
2621	Transmitting application to Intl. Bureau to act as receiving office	\$104	\$40,413	\$25,896
2627	Late Furnishing Fee for Providing a Sequence Listing in Response to an Invitation Under PCT Rule 13ter	\$128	\$124,380	\$82,592
2628	Petition for the extension of the twelve-month (six-month for designs) period for filing a subsequent application	\$840	\$0	\$48,720
Total PCT Fees - International Stage (Small Entity)			\$20,889,378	\$17,421,839

Patents

PCT Fees - International Stage (Micro Entity):

3601	Transmittal fee	\$52	\$74,915	\$46,103
3602	Search fee - regardless of whether there is a corresponding application (see 35 U.S.C. 361(d) and PCT Rule 16)	\$436	\$611,113	\$432,973
3604	Supplemental search fee when required, per additional invention	\$436	\$35,689	\$39,458
3605	Preliminary examination fee - U.S. was the ISA	\$128	\$10,302	\$7,072
3606	Preliminary examination fee - U.S. was not the ISA	\$160	\$282	\$720
3607	Supplemental examination fee per additional invention	\$128	\$258	\$0
3619	Late payment fee	var	\$0	\$725
3621	Transmitting application to Intl. Bureau to act as receiving office	\$52	\$2,229	\$1,807
3627	Late Furnishing Fee for Providing a Sequence Listing in Response to an Invitation Under PCT Rule 13ter	\$64	\$565	\$272
3628	Petition for the extension of the twelve-month (six-month for designs) period for filing a subsequent application	\$420	\$0	\$5,880
Total PCT Fees - International Stage (Micro Entity)			\$735,353	\$535,010

Patents

Hague International Design Application Fees (Large Entity):

1781	Transmittal Fee	\$120	\$7,920	\$5,520
1791	International Design Application First Part U.S. Designation Fee	\$1,020	\$1,508,580	\$2,078,760
1792	(Part II Designation Fee) Issue Fee Paid Through the International Bureau in an International Design Application	\$740	\$344,100	\$490,040
9981	Exchange Rate Gains/Losses for Hague Transactions	var	\$0	\$184,351
9989	Suspense Account for Hague Transactions	var	\$0	\$0
Total Hague International Design Application Fees (Large Entity)			\$1,860,600	\$2,758,671

Patents

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
Hague International Design Application Fees (Small Entity):				
2781	Transmittal Fee	\$48	\$5,580	\$3,732
2791	International Design Application First Part U.S. Designation Fee	\$408	\$351,390	\$602,718
2792	(Part II Designation Fee) Issue Fee Paid Through the International Bureau in an International Design Application	\$296	\$76,590	\$137,810
Total Hague International Design Application Fees (Small Entity)			\$433,560	\$744,260
Patents				
Hague International Design Application Fees (Micro Entity):				
3781	Transmittal Fee	\$24	\$450	\$384
3791	International Design Application First Part U.S. Designation Fee	\$204	\$34,425	\$63,699
3792	(Part II Designation Fee) Issue Fee Paid Through the International Bureau in an International Design Application	\$148	\$10,360	\$14,020
Total Hague International Design Application Fees (Micro Entity)			\$45,235	\$78,103
Patents				
Patent Petition Fees (Large Entity):				
1453	Petition for revival of an abandoned application for a patent, for the delayed payment of the fee for issuing each patent, or for the delayed response by the patent owner in any reexamination proceeding	\$2,100	\$5,764,500	\$4,433,000
1454	Petition for the delayed submission of a priority or benefit claim, or to restore the right of priority or benefit	\$2,100	\$1,669,500	\$2,100,000
1455	Filing an application for patent term adjustment	\$210	\$66,570	\$68,460
1456	Request for reinstatement of term reduced	\$420	\$2,100	\$1,680
1457	Extension of term of patent	\$1,180	\$139,240	\$152,220
1458	Initial application for interim extension (see 37 CFR 1.790)	\$440	\$1,320	\$6,160
1459	Subsequent application for interim extension (see 37 CFR 1.790)	\$230	\$920	\$1,610
1462	Petitions requiring the petition fee set forth in 37 CFR 1.17(f) (Group I)	\$420	\$498,540	\$534,260
1463	Petitions requiring the petition fee set forth in 37 CFR 1.17(g) (Group II)	\$220	\$1,836,340	\$1,801,360
1464	Petitions requiring the petition fee set forth in 37 CFR 1.17(h) (Group III)	\$140	\$1,301,860	\$1,289,120
1784	Petition to excuse applicant's failure to act within prescribed time limits in an international design application	\$2,100	\$2,100	\$0
1824	Petitions in a reexamination proceeding, except for those specifically enumerated in 37 CFR 1.550(i) and 1.937(d)	\$2,040	\$91,800	\$112,200

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget</u>		<u>Actual Fee Collections</u>
			<u>Planned Fee Collections</u>		
Total Patent Petition Fees (Large Entity)			\$11,374,790		\$10,500,070
Patents					
Patent Petition Fees (Small Entity):					
2453	Petition for revival of an abandoned application for a patent, for the delayed payment of the fee for issuing each patent, or for the delayed response by the patent owner in any reexamination proceeding	\$840	\$4,227,300		\$2,872,790
2454	Petition for the delayed submission of a priority or benefit claim, or to restore the right of priority or benefit	\$840	\$994,350		\$869,970
2455	Filing an application for patent term adjustment	\$210	\$13,860		\$22,260
2456	Request for reinstatement of term reduced	\$420	\$420		\$420
2457	Extension of term of patent	\$1,180	\$7,080		\$11,800
2458	Initial application for interim extension (see 37 CFR 1.790)	\$440	\$440		-\$440
2459	Subsequent application for interim extension (see 37 CFR 1.790)	\$230	\$230		\$690
2462	Petitions requiring the petition fee set forth in 37 CFR 1.17(f) (Group I)		\$168	\$183,540	\$147,998
2463	Petitions requiring the petition fee set forth in 37 CFR 1.17(g) (Group II)		\$88	\$72,160	\$72,248
2464	Petitions requiring the petition fee set forth in 37 CFR 1.17(h) (Group III)		\$56	\$326,900	\$222,992
2784	Petition to excuse applicant's failure to act within prescribed time limits in an international design application		\$840	\$0	\$840
2824	Petitions in a reexamination proceeding, except for those specifically enumerated in 37 CFR 1.550(i) and 1.937(d)		\$816	\$9,180	\$13,872
Total Patent Petition Fees (Small Entity)			\$5,835,460		\$4,235,440
Patents					
Patent Petition Fees (Micro Entity):					
3453	Petition for revival of an abandoned application for a patent, for the delayed payment of the fee for issuing each patent, or for the delayed response by the patent owner in any reexamination proceeding		\$420	\$751,800	\$599,340
3454	Petition for the delayed submission of a priority or benefit claim, or to restore the right of priority or benefit		\$420	\$144,900	\$113,400
3455	Filing an application for patent term adjustment		\$210	\$630	\$840
3456	Request for reinstatement of term reduced		\$420	\$0	\$420
3458	Initial application for interim extension (see 37 CFR 1.790)		\$440	\$0	\$440
3459	Subsequent application for interim extension (see 37 CFR 1.790)		\$230	\$230	\$0
3462	Petitions requiring the petition fee set forth in 37 CFR 1.17(f) (Group I)		\$84	\$22,365	\$14,196
3463	Petitions requiring the petition fee set forth in 37 CFR 1.17(g) (Group II)		\$44	\$4,345	\$2,541
3464	Petitions requiring the petition fee set forth in 37 CFR 1.17(h) (Group III)		\$28	\$8,155	\$5,474
3784	Petition to excuse applicant's failure to act within prescribed time limits in an international design application		\$420	\$0	\$420
3824	Petitions in a reexamination proceeding, except for those specifically enumerated in 37 CFR 1.550(i) and 1.937(d)		\$408	\$0	\$816
Total Patent Petition Fees (Micro Entity)			\$932,425		\$737,887

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
Patents				
Patent Service Fees:				
8001	Printed copy of patent w/o color, delivery by USPS, USPTO Box, or electronic means		\$30,330	\$11,331
8003	Printed copy of plant patent in color	\$15	\$1,515	\$270
8004	Color copy of patent (other than plant patent) containing a color drawing		\$75	\$25
8005	Patent Application Publication (PAP)	\$3	\$3	\$24
8007	Copy of patent application as filed	\$35	\$1,066,695	\$1,063,405
8010	Individual application documents, other than application as filed, per document	\$25	\$9,325	\$3,525
8013	Copy of office records, except copies of applications as filed	\$25	\$160,175	\$167,450
8014	For assignment records, abstract of title and certification, per patent	\$35	\$677,845	\$737,730
8020	International type search report	\$40	\$0	\$0
8021	Recording each patent assignment, agreement or other paper, per property - if not submitted electronically	\$50	\$4,600	\$6,100
8022	Publication in Official Gazette	\$25	\$5,225	\$4,025
8026	Handling fee for incomplete or improper application	\$140	\$51,240	\$38,490
8051	Copy Patent File Wrapper, Paper Medium, Any Number of Sheets	\$290	\$102,660	\$40,600
8052	Copy Patent File Wrapper, Electronic Medium, Any Size or Provided Electronically	\$60	\$145,260	\$149,160
8053	Additional Fee for Overnight Delivery	\$40	\$19,200	\$5,160
8054	Additional Fee for Expedited Service	\$170	\$50,660	\$22,100
8901	REPS	var	\$0	-\$41
8904	Library service	\$50	\$1,950	\$1,916
Total Patent Service Fees			\$2,326,758	\$2,251,270

Patents

Miscellaneous Patent Fees (Large Entity):

1802	Request for expedited examination of a design application	\$1,600	\$731,200	\$769,600
1803	Request for voluntary publication or republication	\$140	\$17,780	\$24,920
1806	Submission of an Information Disclosure Statement	\$260	\$23,533,380	\$22,909,940
1807	Processing fee for provisional applications	\$50	\$340,400	\$301,150
1808	Other publication processing fee	\$140	\$53,200	\$40,890
1809	Filing a submission after final rejection (see 37 CFR 1.129(a))	\$880	\$14,960	\$20,240
1810	For each additional invention to be examined (see 37 CFR 1.129(b))	\$880	\$0	\$1,760
1815	Suspense Account for Patent Processing Fees	\$830	\$0	\$830
1818	Document fee for third-party submissions (see 37 CFR 1.290(f))	\$180	\$55,440	\$60,480
1819	Correction of inventorship after first action on merits	\$640	\$551,680	\$530,560
1830	Processing fee, except in provisional applications	\$140	\$2,845,220	\$2,455,880

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget Planned Fee Collections</u>	<u>Actual Fee Collections</u>
1999	Patent Unassigned Fees		var \$1,640,077	\$2,216,087
Total Miscellaneous Patent Fees (Large Entity)			\$29,783,337	\$29,332,337

Patents

Miscellaneous Patent Fees (Small Entity):

2802	Request for expedited examination of a design application		\$640 \$1,002,400	\$1,255,360
2803	Request for voluntary publication or republication		\$140 \$2,800	\$5,180
2806	Submission of an Information Disclosure Statement		\$104 \$2,990,390	\$2,684,006
2807	Processing fee for provisional applications		\$50 \$208,400	\$178,600
2808	Other publication processing fee		\$140 \$8,680	\$11,200
2809	Filing a submission after final rejection (see 37 CFR 1.129(a))		\$352 \$14,080	\$11,528
2810	For each additional invention to be examined (see 37 CFR 1.129(b))		\$352 \$440	\$0
2818	Document fee for third-party submissions (see 37 CFR 1.290(f))		\$72 \$8,460	\$9,522
2819	Correction of inventorship after first action on merits		\$256 \$219,200	\$160,660
2830	Processing fee, except in provisional applications		\$56 \$985,040	\$769,566
Total Miscellaneous Patent Fees (Small Entity)			\$5,439,890	\$5,085,622

Patents

Miscellaneous Patent Fees (Micro Entity):

3802	Request for expedited examination of a design application		\$320 \$2,280,800	\$1,729,200
3803	Request for voluntary publication or republication		\$140 \$840	\$0
3806	Submission of an Information Disclosure Statement		\$52 \$40,235	\$32,240
3807	Processing fee for provisional applications		\$50 \$7,400	\$6,500
3808	Other publication processing fee		\$140 \$1,120	\$700
3809	Filing a submission after final rejection (see 37 CFR 1.129(a))		\$176 \$1,540	\$2,112
3810	For each additional invention to be examined (see 37 CFR 1.129(b))		\$176 \$220	-\$220
3819	Correction of inventorship after first action on merits		\$128 \$9,600	\$9,696
3830	Processing fee, except in provisional applications		\$28 \$61,180	\$47,544
Total Miscellaneous Patent Fees (Micro Entity)			\$2,402,935	\$1,827,772

Patents

Patent Enrollment Fees:

Fee Code	Fee Title	Fee Rate	President's Budget		Actual Fee
			Planned	Fee Collections	Collections
9001	Application fee (non-refundable)		\$110	\$287,320	\$285,670
9003	Registration to practice or grant of limited recognition under § 11.9(b) or (c)		\$210	\$205,800	\$197,820
9004	Administrative Reinstatement Fee		\$210	\$6,090	\$3,780
9005	Certificate of good standing as an attorney or agent		\$40	\$12,080	\$10,960
9006	Certificate of good standing as an attorney or agent, suitable for framing		\$50	\$750	\$1,750
9010	For test administration by commercial entity		\$210	\$497,700	\$503,160
9012	Review of decision by the Director of Enrollment and Discipline under § 11.2(c)		\$420	\$840	\$1,260
9013	Review of decision of the Director of Enrollment and Discipline under § 11.2(d)		\$420	\$0	\$0
9014	Application fee for person disciplined, convicted of a felony or certain misdemeanors under § 11.7(h)		\$1,680	\$21,840	\$18,480
9020	Delinquency fee		\$50	\$50	\$0
9024	Unspecified other services, excluding labor		var	\$6,960	\$4,007
9025	Registration to practice for change of practitioner type			\$46,750	\$34,120
9026	On Grant of Limited Recognition Under § 11.9(b)		\$210	\$1,680	\$7,980
9028	For USPTO-Assisted Change of Address Within the Office of Enrollment and Discipline Information System		\$70	\$24,710	\$14,630
9029	For USPTO-Administered Review of Registration Examination		\$470	\$470	\$0
9030	Request for extension of time in which to schedule examination for registration to practice (non-refundable)		\$115	\$10,350	\$55,200
Total Patent Enrollment Fees				\$1,123,390	\$1,138,817

Patents

Finance Service Fees:

9101	Processing each payment refused or charged back		\$50	\$7,150	\$6,918
9209	Partial Service Charge for Closing a Deposit Account		var	\$39,378	\$39,652
Total Finance Service Fees				\$46,528	\$46,570

Trademarks

Application Filings:

6001	Application for registration, per international class (paper filing)		\$750	\$0	\$0
6006	Dividing an application, per new application (file wrapper) created		\$200	\$5,459	\$0
6008	Additional fee for application that doesn't meet TEAS Plus or TEAS RF filing requirements, per class		\$100	\$0	\$300
7006	Dividing an application, per new application (file wrapper) created		\$100	\$321,125	\$450,200
7007	Application for registration, per international class (electronic filing, TEAS Plus application)		\$250	\$122,412,000	\$95,615,250
7008	Additional fee for application that doesn't meet TEAS Plus filing requirements, per class		\$100	\$215,445	\$488,175
7009	Application for registration, per international class (electronic filing, TEAS Standard application)		\$350	\$150,916,220	\$107,103,150
7016	Extension of time for filing a response to a pre-registration office action		\$125	\$0	\$3,650,500
7931	Application Fee Filed at WIPO		\$500	\$36,833,488	\$35,313,800

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget</u>		<u>Actual Fee Collections</u>
			<u>Planned Fee Collections</u>		
7933	Subsequent Designation Fee Filed at WIPO		\$500	\$3,202,912	\$2,372,800
Total Application Filings			\$313,906,649	\$244,994,175	

Trademarks

Maintaining Exclusive Rights:

6201	Application for renewal under §9, per class		\$500	\$0	\$0
6203	Additional fee for filing renewal application during grace period, per class		\$200	\$0	\$0
6204	Correcting a deficiency in a renewal application		\$200	\$0	\$0
6205	Filing §8 affidavit, per class		\$325	\$0	\$325
6206	Additional fee for filing §8 affidavit during grace period, per class		\$200	\$0	\$0
6207	Correcting a deficiency in a §8 affidavit		\$200	\$0	\$0
6208	Filing §15 affidavit, per class		\$300	\$0	\$0
6210	Publication of mark under §12(c), per class		\$200	\$0	\$0
6211	Issuing new certificate of registration		\$200	\$0	\$0
6212	Certificate of correction, registrant's error		\$200	\$0	\$0
6213	Filing disclaimer to registration		\$200	\$0	\$0
6214	Filing amendment to registration		\$200	\$0	\$0
7012	Deletion of Goods or Services Under Section 8 as a Result of a Post Registration Audit, per Class		\$250	\$577,578	\$734,250
7201	Application for renewal under §9, per class		\$300	\$35,741,054	\$36,059,100
7203	Additional fee for filing renewal application during grace period, per class		\$100	\$1,191,368	\$1,455,500
7204	Correcting a deficiency in a renewal application		\$100	\$119,100	\$67,100
7205	Filing §8 affidavit, per class		\$225	\$54,169,559	\$59,613,300
7206	Additional fee for filing §8 affidavit during grace period, per class		\$100	\$2,407,500	\$3,317,900
7207	Correcting a deficiency in a §8 affidavit		\$100	\$240,800	\$377,600
7208	Filing §15 affidavit, per class		\$200	\$21,411,045	\$21,911,800
7210	Publication of mark under §12(c), per class		\$100	\$0	\$400
7211	Issuing new certificate of registration		\$100	\$1,000	\$400
7212	Certificate of correction, registrant's error		\$100	\$775,126	\$512,300
7213	Filing disclaimer to registration		\$100	\$0	\$100
7214	Filing amendment to registration		\$100	\$29,000	\$20,000
Total Maintaining Exclusive Rights			\$116,663,130	\$124,070,075	

Trademarks

Intent to Use/Use Fees:

Fee Code	Fee Title	Fee Rate	President's Budget		Actual Fee
			Planned Fee Collections		Collections
6002	Filing an Amendment to Allege Use under ζ 1(c), per class		\$200	\$0	\$0
6003	Filing a Statement of Use under ζ 1(d)(1), per class		\$200	\$0	\$0
6004	Filing a Request for a Six-month Extension of Time for Filing a Statement of Use under ζ 1(d)(1), per class		\$225	\$0	\$450
7002	Filing an Amendment to Allege Use under ζ 1(c), per class		\$100	\$1,233,008	\$29,600
7003	Filing a Statement of Use under ζ 1(d)(1), per class		\$100	\$15,570,000	\$12,631,500
7004	Filing a Request for a Six-month Extension of Time for Filing a Statement of Use under ζ 1(d)(1), per class		\$125	\$50,115,938	\$37,807,125
Total Intent to Use/Use Fees				\$66,918,946	\$50,468,675

Trademarks

Madrid Protocol Fees:

6901	Certifying an International application based on single application or registration, per class		\$200	\$0	\$0
6902	Certifying an International application based on more than one basic application or registration, per class		\$250	\$0	\$0
6903	Transmitting a Request to Record an Assignment or restriction under ζ 7.23 or ζ 7.24		\$200	\$0	\$0
6904	Filing a Notice of Replacement under ζ 7.28, per class		\$200	\$0	\$0
6905	Filing an affidavit under ζ 71 of the Act, per class		\$325	\$0	\$0
6906	Surcharge for filing affidavit under ζ 71 of the Act during grace period, per class		\$200	\$0	\$0
6907	Transmitting a subsequent designation under ζ 7.21		\$200	\$0	\$0
6908	Correcting a deficiency in an affidavit under ζ 71 of the Act		\$200	\$0	\$0
7013	Deletion of Goods or Services Under Section 71 as a Result of a Post Registration Audit, per Class		\$250	\$46,173	\$265,000
7901	Certifying an International application based on single application or registration, per class		\$100	\$1,876,106	\$1,841,800
7902	Certifying an International application based on more than one basic application or registration, per class		\$150	\$472,029	\$388,800
7903	Transmitting a Request to Record an Assignment or restriction under ζ 7.23 or ζ 7.24		\$100	\$200	\$300
7904	Filing a Notice of Replacement under ζ 7.28, per class		\$100	\$1,000	\$400
7905	Filing an affidavit under ζ 71 of the Act, per class		\$225	\$4,330,462	\$4,338,450
7906	Surcharge for filing affidavit under ζ 71 of the Act during grace period, per class		\$100	\$192,465	\$424,100
7907	Transmitting a subsequent designation under ζ 7.21		\$100	\$238,425	\$143,300
7908	Correcting a deficiency in an affidavit under ζ 71 of the Act		\$100	\$2,384	\$61,900
Total Madrid Protocol Fees				\$7,159,244	\$7,464,050

Trademarks

Trademark Trial and Appeal Board:

6401	Petition for cancellation, per class		\$700	\$0	\$0
6402	Notice of opposition, per class		\$700	\$0	\$2,100
6403	Ex parte appeal, per class		\$325	\$0	\$2,925

<u>Fee Code</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget</u>		<u>Actual Fee</u>
			<u>Planned Fee Collections</u>		<u>Collections</u>
6404	Filing a request for an extension of time to file a notice of opposition under 2.102(c)(1)(ii) or (c)(2)		\$400	\$0	\$0
6405	Filing a request for an extension of time to file a notice of opposition under 2.102(c)(3)		\$500	\$0	\$0
7401	Petition for cancellation, per class		\$600	\$2,457,574	\$2,042,600
7402	Notice of opposition, per class		\$600	\$6,796,341	\$5,971,200
7403	Ex parte appeal, per class		\$225	\$1,324,968	\$1,255,950
7404	Filing a request for an extension of time to file a notice of opposition under 2.102(c)(1)(ii) or (c)(2)		\$200	\$1,173,000	\$1,706,800
7405	Filing a request for an extension of time to file a notice of opposition under 2.102(c)(3)		\$400	\$747,600	\$990,800
7406	Filing a Brief in an Ex Parte Appeal to the Board, per Class		\$200	\$134,800	\$139,600
7407	Filing a Second or Subsequent Request for an Extension of Time to File an Appeal Brief, per Application		\$100	\$43,000	\$42,800
7408	Request for an Oral Hearing, per Proceeding		\$500	\$48,500	\$48,500
Total Trademark Trial and Appeal Board			\$12,725,783	\$12,203,275	

Trademarks

Other Trademark Fees:

6991	Recordal application fee		\$20	\$580	\$480
6992	Renewal application fee		\$20	\$660	\$800
6993	Late fee for renewal application		\$20	\$160	\$60
6994	Application fee for reactivation of insignia, per request		\$20	\$60	\$100
6999	Trademark Unassigned Fees		var	\$6,514	\$6,027
7932	Renewal Fee Filed at WIPO		\$300	\$2,870,400	\$3,736,200
8501	Printed copy of registered mark, delivery by USPS, USPTO Box, or electronic means		\$3	\$291	\$0
8503	Certified copy of registered mark, with title and/or status, regular service		\$15	\$47,265	\$27,930
8504	Certified copy of registered mark, with title and/or status, expedited local service		\$30	\$19,200	\$27,150
8507	Certified copy of trademark application as filed		\$15	\$234,420	\$181,995
8508	Certified or uncertified copy of trademark-related file wrapper and contents		\$50	\$51,050	\$25,750
8513	Certified or uncertified copy of trademark document, unless otherwise provided		\$25	\$10,900	\$34,725
8514	For assignment records, abstracts of title and certification per registration		\$25	\$10,525	\$9,400
8521	Recording trademark assignment, agreement or other paper, first mark per document		\$40	\$2,593,200	\$2,735,640
8522	For second and subsequent marks in the same document		\$25	\$7,277,900	\$4,909,800
8533	Additional fee for overnight delivery		\$40	\$1,000	\$440
8534	Additional fee for expedited service		\$160	\$13,600	\$1,600
8901	REPS		var	\$0	-\$1
8904	Library Service		\$50	\$2,250	\$2,334
9990	International Bureau Unassigned Fees		var	\$0	\$605,436
Total Other Trademark Fees			\$13,139,975	\$12,305,866	

<u>Fee</u> Code	<u>Fee Title</u>	<u>Fee Rate</u>	<u>President's Budget</u> <u>Planned Fee Collections</u>	<u>Actual Fee</u> <u>Collections</u>
Trademarks				
Trademark Processing Fees:				
6005	Petitions to the Director (Paper Correspondence)		\$350	\$0
6010	Petition for Revival or Reinstatement on Paper		\$250	\$0
7005	Petitions to the Director (Electronic Correspondence)		\$250	\$1,821,000
7010	Petitions for Revival or Reinstatement Filed through TEAS		\$150	\$5,516,550
7011	Letter of Protest		\$50	\$196,300
7014	Petition for expungement and/or reexamination		\$400	\$3,260,400
7015	Extension of time for filing a response to an Office action		\$125	\$764,156
Total Trademark Processing Fees			\$11,558,406	\$4,906,525
Trademarks				
Finance Service Fees:				
9101	Processing Each Payment Refused or Charged Back		\$50	\$950
9209	Partial service charge for closing a deposit account		var	\$5,108
Total Finance Service Fees			\$6,058	\$5,935

Appendix VIII: 2022–2026 USPTO Strategic Plan Framework

Mission: Drive U.S. innovation, inclusive capitalism, and global competitiveness.

Vision: Unleashing America's Potential

Goal 1: Drive inclusive U.S. innovation and global competitiveness.

- Objective 1.1: Enhance the United States' role as a global innovation leader.
- Objective 1.2: Promote inclusive innovation through active engagement and widespread, ready access to IP resources and tools.
- Objective 1.3: Foster an innovation mindset in more Americans, starting with our youth.

Goal 2: Promote the efficient delivery of reliable IP rights.

- Objective 2.1: Issue and maintain robust and reliable patents that incentivize and protect innovation.
- Objective 2.2: Issue and maintain accurate and reliable trademark registrations that protect brands and investments.
- Objective 2.3: Improve patent application pendency.
- Objective 2.4: Improve trademark application pendency.
- Objective 2.5: Optimize patent and trademark application processes to enable efficiencies for applicants and other stakeholders.

Goal 3: Promote the protection of IP against new and persistent threats.

- Objective 3.1: Protect patents from fraudulent and abusive behaviors.
- Objective 3.2: Protect the integrity of the Trademark Register.
- Objective 3.3: Improve domestic IP enforcement and reduce domestic IP crime and infringement.
- Objective 3.4: Improve global IP enforcement and reduce global IP crime and infringement.
- Objective 3.5: Support the development and enforcement of clear IP laws.
- Objective 3.6: Work with and on behalf of stakeholders to enable them to protect their IP better.

Goal 4: Bring innovation to impact for the public good.

- Objective 4.1: Help innovators, entrepreneurs, and creators identify available funding sources.
- Objective 4.2: Promote the protection and domestic deployment of federally funded innovations.
- Objective 4.3: Provide leadership to foster domestic and global ecosystems that support innovation.

Goal 5: Generate impactful employee and customer experiences by maximizing agency operations.

- Objective 5.1: Create employee experiences that balance productivity, wellness, inclusion, and community connectedness.
- Objective 5.2: Equitably deliver exceptional customer experiences.
- Objective 5.3: Develop modern IT infrastructure and applications.
- Objective 5.4: Expand opportunity, discovery, and accountability through greater data maturity.
- Objective 5.5: Resource mission success.

Appendix IX: FY 2024/2025 Annual Performance Plan and Report

Overview of Bureau Accomplishments

The following strategic objectives from [DOC's Strategic Plan | 2022–2026](#) apply to USPTO. For more information about the DOC's Strategic Plan or the DOC's Performance Plans and Reports, please visit the DOC's [budget and performance webpage](#).

Strategic Objective (SO) 1.5, Promote accessible, strong, and effective IP rights to advance innovation, creativity, and entrepreneurship

Enhance patent quality and compact prosecution: Patents continues to focus on providing clear, robust, and reliable rights through the delivery of accurate, consistent, and timely results in search and examination. USPTO is achieving accurate and consistent search by reviewing and implementing tools and training to enhance examination. For example, USPTO is working with AI-powered similarity searching. AI-powered features offer an opportunity to increase consistency by applying standard search models for finding relevant prior art across the examining corps as well as to expand prior art consideration further by deepening search capabilities across all U.S. patent documents and publications and over 86 million foreign-sourced patent documents and applications. Also, USPTO is developing a portal within the primary search tool that will integrate with the agency electronic library's application programming interface (API). This integration will put over 600,000 electronic books; 72,000 journals; and 40 electronic databases at examiners' fingertips. Development teams are working to integrate search tools more directly with Global Dossier to enable better worksharing between the United States and its global partners when examining related applications. USPTO will closely monitor inventory and application filing levels and ensure examiner production time and staffing are sufficient for examination responsibilities across different technology areas. USPTO is currently conducting a timing pilot that explores alternate means to determine examination expectancy time for an application. These means include classification, AI text analysis, and combinations thereof. USPTO will continue working to meet the needs of underrepresented groups, first-time filers, independent inventors, and small businesses. USPTO and its [CI²](#) recently launched the [First-Time Filer Expedited Examination Pilot Program](#), which is designed to increase accessibility to the patent system for inventors who are new to the patent application process, including those in historically underserved geographic and economic areas.

Reduce trademark pendency: Trademarks is committed to providing timely, quality trademark examinations. To address the backlog of unexamined applications, Trademarks has taken proactive steps by hiring more examination staff and establishing the Trademark Academy to onboard and train new attorneys better. Furthermore, part of the implementation of the TMA has been the reduction of response times for pre-registration office actions from six months to three months, with a possible extension to the full six months. This initiative has significantly shortened the time for applicants to respond before their applications undergo examination. Expediting the examination process allows Trademarks to prevent scammers from obstructing the progress of legitimate applicants better. In addition, expediting the process will ultimately help to reduce disposal pendency. USPTO is continuing to implement new processes to enhance examination efficiency and reduce pendency. Furthermore, USPTO made considerable strides in protecting the integrity of the Trademark Register through statutory, technological, and operational adjustments. USPTO created the Register Protection Office (RPO), a new organization within TM

Examination Policy that is dedicated to combating scams—particularly, those involving fraudulent trademark applications. USPTO hired a director for the RPO and increased the RPO’s resources with examining attorneys and paralegals to support investigative tasks—primarily, anti-scam work, which has streamlined anti-scam efforts and reduced the impact on examination. Trademarks is also evaluating whether and how trademark professionals could assist in the application process. USPTO will continue to strengthen the capabilities and capacity of the RPO and increase the reach of the Administrative Sanctions Program to protect the integrity of the Trademark Register.

Protect and enforce IP abroad: USPTO concluded cooperative agreements designed to improve the global IP system and enhance the protection of IP rights. USPTO made these agreements with the IP offices of Japan, Saudi Arabia, Chile, Korea, Panama, Ecuador, Argentina, Canada, Morocco, Turkey, Mongolia, and the EPO. In addition, progress continues on similar agreements with the IP offices of Laos, Moldova, Egypt, Tunisia, Qatar, Taiwan, Nepal, Papua New Guinea, Malaysia, Georgia, and Indonesia. USPTO continues its active engagement with other patent and trademark offices around the world through the IP5, the Trademark 5 (TM5), and the Industrial Design 5 (ID5). The IP5 comprises USPTO, the CNIPA, the EPO, the JPO, and the KIPO. The TM5 and ID5 consist of USPTO, the CNIPA, the European Union Intellectual Property Office, the JPO, and the KIPO. These offices account for about 90% of all patent applications, 50% of all trademark applications, and 80% of all design applications filed worldwide. The IP5, TM5, and ID5 promote cooperation and collaboration among their members, exchanging information on practices and programs that facilitate increasingly user-friendly and interoperable patent, trademark, and design systems.

USPTO continues to support the monitoring of compliance with trade agreements actively. The agency participates in reviews of foreign laws as part of WTO trade policy reviews and trade agreements, such as phase one of the United States-China trade agreement.

Strategic Objective (SO) 5.3, Equitably deliver exceptional customer experience (CX)

USPTO CX: Recognizing the importance of CX and its impact on the patent and trademark programs, USPTO strives to provide exceptional service by continuously seeking stakeholder feedback. Per [OMB Circular A-11, section 280](#), USPTO maintained its High Impact Service Provider-designated services, including trademark application and registration. To further improve CX, in FY 2023 USPTO began sending “[welcome letters](#)” to patent and trademark applicants. The letters provide information on free trainings and resources to help recipients learn more about the application process. USPTO also completed its CX action plan items, which included the implementation of the [Stakeholder Application Readiness Training](#), the Patents Customer Ambassador Pilot, and analysis supporting trademark customer survey responses. The survey of trademark customers, designed to identify ways to improve the trademark filing experience, informed the design of the Trademark Center beta. Subsequent prototype testing with customers indicated the agency has made improvements to navigation, fee calculation transparency, and the expanded save functionality. USPTO also enhanced Patent Center, which allows patent filers to use a single interface instead of multiple legacy tools for submitting and managing patent applications. The enhancements provide filers with a more streamlined process. Although most patent and trademark applications are submitted by licensed attorneys on behalf of their clients, USPTO invested time and resources to ensure the agency received input from all its customers, including the independent filers, to deliver a filing experience that is accessible to everyone. USPTO will continue to seek feedback from customers so it can simplify online tools for navigation and filing. USPTO will also continue to focus on educating all customers in understanding the nuances of obtaining a patent or

registering a trademark. To maximize agency operations, USPTO will invest in learning about and implementing best practices in CX while aligning its efforts with employee experience. For more information on USPTO's CX action plans and quarterly results, visit [performance.gov](https://www.performance.gov).

Planned Actions through FY 2025

USPTO Patents: USPTO continues its commitment to processing patent applications in a timely manner consistent with established goals based on Patent Term Adjustments (PTA), which measures overall adherence to statutorily defined time frames. Reducing the number of issued PTAs provides shorter pendency for all applications, reduces uncertainty in the marketplace, and ensures patents expire and become available to the public at the statutorily defined time of 20 years from filing.

USPTO Trademarks: USPTO anticipates that overall, filings will increase by about 227,000 applications (classes) by FY 2029 relative to FY 2023, or a 4.6% Compound Annual Growth Rate (CAGR). To keep pace with workload while supporting business development and implementation of new and improved IT systems, Trademarks will increase its number of examining staff and implement several initiatives to enhance efficiency. By hiring more examining attorneys, enhancing training through the TM Academy, evaluating retention, and fully reviewing details and work projects, Trademarks will enhance productivity by optimizing examination time. Trademarks will use trademark professionals to advance anti-scam work. Trademarks will also evaluate the use of trademark professionals to balance the examining attorney workload and workforce with the uncertainty of incoming application demand levels. In addition, Trademarks will enhance productivity by exploring award production incentives, reevaluating the effectiveness of examination quality standards, modifying the current comprehensive excellence standard for arguments and evidence, and streamlining "bad faith" processing by moving suspicious files out of examination and into administrative review. USPTO anticipates phase three of the TMA, flexible response times for post-registration, will be implemented by FY 2025. Moreover, Trademarks will collaborate with OCIO on further investment and improvements in its IT systems to minimize system downtime. The groundwork to implement these changes is underway. Some initiatives will have a transformative impact on productivity, generating much higher efficiency gains, but the complexity of the agency's processes and IT systems remains a major risk that could delay or dampen the gains. Looking forward, Trademarks expects to advance the integration and utilization of AI, machine learning, robotic process automation, and natural language processing. Trademarks will continue to build its brand management strategy by adding a senior-level marketing advisor to the Brand Management Group. The group will continue to grow with additional expertise—particularly, in CX and data analysis—to ensure that Trademarks can capture customer data and feedback on new services that can be used to refine the services. Additionally, Trademarks is expanding its outreach team to promote participation and enhance application quality with pro se filers and underserved communities.

USPTO International Efforts: USPTO continues its efforts to improve international IP protection and administration, capacity building, and policy initiatives, including the creation of country and regional strategic plans and specific action plans in relation to prioritized countries of interest.

USPTO CX: USPTO will continue to build and implement CX initiatives across all operations, provide CX training, build capacity to assess customer needs, and provide an overall positive experience for agency customers.

Analysis of Performance Indicators

Explanation of Trends

Patents: After an extended period of improved pendency, USPTO has recently seen an increase in pendency and inventory driven mainly by attrition, reduced production, and filing rates that did not drop during the pandemic as the agency expected. This is reflected in the PTA performance indicators, which have two main components: mailed actions and remaining inventory. While mailed actions met their target, the remaining inventory grew instead. USPTO is embarking on several efforts to increase its patent examination capacity and improve its efficiency. These include efforts to improve recruitment and retention of patent examiners and revitalizing the patent examiners' performance incentives. The agency expects these and other efforts to bear fruit over the next several years.

Trademarks: USPTO has exceeded its trademark quality targets. Trademarks has focused on maintaining quality through initiatives such as standardizing training and feedback, with the development of novel modules to address emerging challenges for a higher number of examining attorneys. The training academy has successfully completed its first full year, graduating two classes of examiners. Additionally, efforts include promoting online tools and enhanced processes, which allow trademark applicants to submit third-party generated electronic signatures approved for use in the Trademark Electronic Application System (TEAS) and TEAS International (TEASi). The introduction of TM Exam, a browser-based examination system, has further improved examining attorney efficiency and work quality. Furthermore, as part of improving examination guidance, USPTO has implemented FY 2023 revisions to the Trademark Manual of Examining Procedure (TMEP), incorporating statutory and regulatory changes, relevant precedential decisions, and examination guidance issued since the July 2022 update. However, USPTO continues to work through the recent unprecedented surge and backlog, which will take some time to reduce to an appropriate level. Pendency has stabilized, but it remains higher than the optimal level. USPTO implemented and adopted new IT and search capabilities, which required additional training and non-examination time adjustments. Aligning performance incentives and implementing additional capacity and efficiency measures should yield positive results soon.

USPTO International Efforts: USPTO consistently meets its IP training and protection targets.

USPTO CX: USPTO has met or exceeded its CX targets. USPTO exceeded and met the following targets in FY 2023: Percentage of customers who indicate the employees they interacted with were helpful (Patents), and percentage of customers who indicate positive satisfaction with designated priority services (patents), respectively. Due to a change in its CX management platforms, and the survey methodology in calculating scores, USPTO is adjusting their targets for FY 2024 and FY 2025. In August of 2023, OMB Circular A-11 Section 280 was updated to require HISPs to modify their surveys to a new model that includes a trust question. This change seeks to reduce burden on the public and to assist in developing comparable, government-wide customer experience measures that can be shared publicly. Based on this update, USPTO has added a trust measure to its list of performance indicators for FY 2024 and FY 2025.

Explanation of Targets for FY 2024 and FY 2025

USPTO's targets will generally stay consistent for FY 2024 and FY 2025. USPTO is a fee-funded agency; targets are dependent on USPTO having access to all fee collections.

Progression of Performance Indicators

USPTO's performance relative to targets depends on workload demand, fee collection estimates derived from production and workload models, and global and domestic indicators of economic activity, all of which present unique forecasting uncertainty. USPTO strives for increased accuracy when predicting workload and fee estimates. Furthermore, USPTO uses performance indicator reviews to monitor the progress and implementation of its goals and objectives and to inform employees and stakeholders.

Performance Data Validation and Verification

USPTO periodically conducts verification and validation of performance measures to ensure quality, reliability, and credibility. At the beginning of each fiscal year and at various points throughout the reporting or measurement period, USPTO reviews and adjusts sampling techniques and sample counts to ensure data are statistically reliable for making inferences about the population as a whole.

Performance Indicators

Class	Strategic Objective	Performance Indicator	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
Current/Recurring	1.5	Patents total PTA Compliance, all mailed actions	—	83%	83%	80%	81%	80%	Exceeded	80%	80%
Current/Recurring	1.5	Patents PTA compliance, remaining inventory	—	88%	86%	85%	82%	86%	Not Met	81%	81%
Current/Recurring	1.5	Patent Statutory Compliance Metrics (Percent) Statute 35 USC 101 (including utility and eligibility)	97.7%	97.7%	98.3%	98.3%	98.2%	94.0%	Exceeded	94.0%	94.0%
Current/Recurring	1.5	Patent Statutory Compliance Metrics (Percent) Statute 35 USC 102 (prior art compliance)	94.4%	94.3%	95.1%	95.3%	96.0%	94.0%	Exceeded	94.0%	94.0%
Current/Recurring	1.5	Patent Statutory Compliance Metrics (Percent) Statute 35 USC 103 (prior art compliance)	89.9%	88.9%	90.7%	91.5%	92.2%	91.0%	Exceeded	92.0%	92.0%
Current/Recurring	1.5	Patent Statutory Compliance Metrics (Percent) Statute 35 USC 112 (35 USC 112(a),(b) including (a)/(b) rejections related to 35 USC 112(f))	92.2%	90.6%	92.2%	94.6%	94.4%	92.0%	Exceeded	94.0%	94.0%
Current/Recurring	1.5	Trademark average first action pendency (months)	2.6	3.0	6.3	8.3	8.5	8.5	Met	8.4	7.5
Current/Recurring	1.5	Average processing time for trademark applications	9.3	9.5	11.2	13.8	14.6	14.5	Not Met	14.4	13.5

Class	Strategic Objective	Performance Indicator	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2023 Target	FY 2023 Status	FY 2024 Target	FY 2025 Target
Current/Recurring	1.5	Percentage of prioritized countries for which intellectual property country teams have made progress on at least 3 of the 4 performance criteria	66%	100%	100%	100%	100%	66%	Exceeded	66%	66%
Current/Recurring	5.3	Percentage of customers who indicate positive satisfaction with designated priority services (Patents)	—	—	—	—	82%	82%	Met	70%	70%
Current/Recurring	5.3	Percentage of customers who indicate positive satisfaction with designated priority services (Trademarks)	—	—	—	—	80%	70%	Exceeded	70%	70%
Current/Recurring	5.3	Percentage of customers who indicate the employees they interacted with were helpful (Patents)	—	—	—	—	85%	82%	Exceeded	75%	75%
Current/Recurring	5.3	Percentage of customers who indicate the employees they interacted with were helpful (Trademarks)	—	—	—	—	86.0%	75.0%	Exceeded	75.0%	75.0%
Proposed new	5.3	Percentage of customers who trust USPTO to grant patents and register trademarks in accordance with U.S. laws and regulations.	—	—	—	—	—	—	N/A	65.0%	65.0%