

March 23, 2016

The Honorable Penny Pritzker Secretary, U.S. Department of Commerce 1401 Constitution Ave., N.W. Washington, D.C. 20230

The Honorable Michelle Lee, Under Secretary of Commerce for Intellectual Property and Director, U.S. Patent and Trademark Office 600 Dulany Street, P.O. Box 1450 Alexandria, VA 22314

Dear Secretary Pritzker and Under Secretary Lee,

I am writing to share concerns of the Patent Office Professional Association (POPA) regarding the proposed Department of Commerce (Department) shared services initiative. POPA represents the more than 8,500 patent examiners and other patent professionals at the U.S. Patent and Trademark Office (USPTO, Office).

POPA is particularly concerned with potential negative impacts of this proposal given the unique situation of the USPTO. Since 1991, all USPTO funding comes from innovators and corporations filing patent and trademark applications. Throughout the 1990s and early 2000s, Congress and the Executive Branch denied USPTO access to over a billion dollars of its fees. These fees were diverted to fund other government programs rather than providing the USPTO with the necessary resources to carry out its mission.

In 2005, faced with a burgeoning backlog of unexamined patent applications, leaders finally began providing USPTO with access to all of its collected fee income. This has allowed the Office to hire many more employees, to begin working down its backlog and to upgrade its IT infrastructure and numerous software tools unique to patent and trademark examination.

The shared services initiative would allow the Department to prioritize spending on shared services amongst its bureaus. This could effectively divert USPTO fee income by prioritizing other bureaus' shared services needs ahead of the USPTO's needs.

For example, the USPTO, the National Oceanic and Atmospheric Administration (NOAA) and the National Institute of Standards and Technology (NIST) each have dramatically different missions driving their needs for particular IT infrastructure. If the USPTO's needs for funding a significant IT initiative are given lower priority under shared services than an IT project at NOAA or NIST, the Department has effectively hindered the UPSTO's ability to perform its constitutional duty to provide protection to the inventors and innovators who drive this nation's great economy.

In order to avoid this scenario, POPA proposes that the USPTO be exempted from compulsory participation in the shared services initiative while being permitted to participate in shared services where the USPTO determines that its participation will benefit the Office and its stakeholders by increasing efficiency. We look forward to working with you to develop a truly workable and efficient shared services program.

Sincerely,

Pamela R. Schwartz, President
Patent Office Professional Association

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Cc: Bruce H. Andrews, Deputy Secretary of Commerce
Russell D. Slifer, Deputy Under Secretary of Commerce for Intellectual Property
and Deputy Director, United States Patent and Trademark Office