

**STATEMENT OF**  
**THE HONORABLE JON W. DUDAS**  
**UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY**  
**AND**  
**DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE**

BEFORE THE  
**SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT,**  
**THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA**  
**COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**  
**United States Senate**

**“Assessing Telework Policies and Initiatives in the Federal Government”**

**June 12, 2007**

Chairman Akaka, Ranking Member Voinovich, and Members of the Subcommittee:

I would like to thank you for inviting the United States Patent and Trademark Office (USPTO) to testify today on telework policies and initiatives within the Federal Government. I commend you for holding today's hearing and for working hard to ensure that our Federal Government is in the vanguard of telecommuting efforts.

### *USPTO Corporate Business Strategy*

The workplace today goes beyond just the walls that surround an office building. Currently, more than 3,000 of the USPTO's approximately 8,500 employees are participating in some form of telework.

According to the International Telework Association and Council, over 44 million Americans work remotely at least part of each week. And, according to the most recent Metropolitan Washington Council of Governments State of the Commute Report, 12.8%, or 320,000 of the region's workers currently telework at least 1.5 days per week.

Changing the boundaries of old workplace patterns allows for decreased commute time, greater control over workloads, and even a more balanced lifestyle. This all translates into increased employee productivity and satisfaction, as well as higher employee retention.

During my tenure at the USPTO, I have had an opportunity to witness a commitment by USPTO leadership to support our telework initiatives. At the USPTO, we believe that our workforce is a good candidate for a program that allows employees to work anywhere and the nature of our patent and trademark work certainly has facilitated robust telework programs. We believe that the USPTO's decision to incorporate telework as a corporate business strategy and for human capital flexibility will help recruitment and retention of our workforce, reduce traffic congestion in the National Capital region and - in a very

competitive job market - enable the USPTO to hire approximately 6,000 new patent examiners over the next 5 years.

Agencies facing budgetary issues, facilities dilemmas, and staffing shortfalls can follow the USPTO's lead in expanding their workforce without acquiring additional physical space.

### ***National Workforce***

The USPTO is currently exploring the feasibility of creating a nationwide workplace where an examiner can work anywhere in the country. Three potential options are being analyzed: (1) expanding the successful Trademarks Telework and Patents Hoteling Program to create a more geographically diverse workforce; (2) creating regional offices, or a brick and mortar presence, in different locations across the country; and (3) a storefront approach which is a hybrid of the possibilities (1) and (2). The site selection criteria will include employment pool, quality of life, public transportation, and real estate costs.

The goal of this initiative is to meet current and future workforce requirements while minimizing costs of expansion, and specifically to increase our success in attracting the best and brightest employees from areas outside of the Mid-Atlantic Region, increase patent examiner retention rates, and manage the real estate costs associated with workforce expansion.

### *Our Programs*

Established in 1997, the Trademark Work at Home program began as a feasibility pilot of eighteen teleworkers partnered to share physical offices and alternate days at home with days in the office. Ten years later, this program is a leading, comprehensive program involving more than 220 employees (85% of eligible examining attorneys) who spend the majority of their work-week at home and share reservable space in the office through a hoteling arrangement. Employees make electronic reservations for their time in the office and perform the majority of their trademark examination duties from home. Each employee is provided with the necessary equipment to establish a secure connection to the agency's network, and automated systems enable users to perform all of their examination duties electronically.

As a leader in the development of government telework programs, the Trademark Work At Home program has proven to be an innovative telework prototype. It combines management-by-objective with hoteling, which translates into documented space and related cost savings for the USPTO. By incorporating measurable performance goals in the evaluation of worker performance, Trademarks has created a model of an extremely successful telecommuting program for government agencies.

In February of this year, the USPTO received the 2007 Work-Life Innovative Excellence Award from the Alliance for Work-Life Progress (AWLP) for our Trademark Work at Home program – the highest honor offered by the AWLP. In addition, in June of 2006 the Trademark Work at Home program received the "Telework Program with Maximum

Impact on Government" award from the Telework Exchange. This award recognized that Trademarks has created an extremely successful telework program that can serve as a model for other government agencies. Other notable awards include those from the Metropolitan Washington Council of Governments, the Mid-Atlantic Telework Advisory Council, and the International Telework Association and Council.

The Trademark Work at Home program also demonstrates that flexibility of both time and location enables employees to maximize efficiency of working hours and is reflected by an increase in examining production by its participants. The phenomenally low attrition rate experienced with these teleworkers establishes that agencies facing recruitment and retention problems can offer similar telecommuting options to attract and retain qualified workers. A recent survey found that 99% of trademark teleworkers reported increased job satisfaction because of telework and that participants are able to average four fewer sick hours per month than they would have if they worked on site.

There are numerous environmental benefits to working from home as well. Based on 49.35 miles roundtrip and an average of 30 MPG<sup>1</sup> the Trademark Work at Home Program saves 72,380 gallons of gas and reduces emissions by 1,140 tons annually. In addition, telework is critical for business continuity and also provides accommodation options for individuals with disabilities.

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<sup>1</sup> Information prepared by Telework Exchange

The Patents Hoteling Program, introduced in 2006, is a flexible telecommuting program that provides participants with the option to perform officially assigned duties at an alternative worksite during paid working hours. Major elements of this program, which incorporates the use of collaborative communication technologies, include remote online access to all relevant USPTO patent business systems, job performance tools, patent information, and patent application documentation. The Patents Hoteling Program includes a hoteling component whereby participants can remotely reserve workspace for required time spent in hoteling suites located throughout the USPTO's Alexandria campus. To date, approximately 910 patent examiners have relinquished their office space to work from home four days per week. At this rate, 3,000 patent examiners will be working from home by 2011.

Using USPTO-supplied equipment, participants can remotely connect to PTOnet, and view patent applications, perform prior art searches, create and electronically sign necessary documents, and access timesheet reporting, electronic mail, and other support systems available at the USPTO.

I was extremely pleased when, just last week, the Patents Hoteling Program received the Excellence in Telework Leadership Award from the Telework Exchange. Patents received this award designated for programs initiated within the last 12 months, taking into account start-up challenges and early accomplishments.

The Patents Hoteling Program is providing employees with an improved quality of life by reducing their commute, giving them more options to balance work and family, as well as reducing stress. The program is realizing a reduction in USPTO office space requirements associated with increased hiring goals and achieving innovative means of flexibility and responsiveness by the Patents organization to meet its mission with respect to increasing workloads and changing technology.

In addition to providing superior technology for an effective and productive telework environment, the Patents Hoteling Program provides comprehensive training to hoteling examiners and to their supervisors. The examiner training includes information about using remote access tools, equipment set-up, collaboration tools, and troubleshooting for hardware/software problems. Supervisory training addresses supervisory responsibilities, techniques, and strategies for managing the performance of employees in a hoteling environment, and emphasizes performance-based management and communication techniques for successful employee performance. To date, 310 supervisors have participated in this training.

Teleworking for patent examiners also translates into additional time for the employee to achieve a better balance between work and home, and has made patent examining in the Washington metropolitan region more attractive to potential candidates who currently reside outside of the region. The program helps the USPTO to recruit from a highly qualified hiring pool and retain existing valuable employees.

### *Other Programs*

Rather than taking a “one size fits all” approach, the USPTO has over a dozen additional formalized telework initiatives to address the specific needs of each business unit and their employees. All of these programs follow procedure set forth in the USPTO Enterprise-wide Telework Policy and are overseen by our Telework Coordinator.

In order to provide ongoing education about existing and new telework initiatives, the USPTO has created a Telework Resources Web Site on the USPTO Intranet site. This site also includes information about current telework pilots at the USPTO, case studies, current news articles, and provides links to various telework informational sites. All formal USPTO telework program guidelines and requirements are listed on this site as well.

In addition, the USPTO has established a Telework Working Group, comprised of business unit telework coordinators, that meets on a quarterly basis to address eligibility issues, current trends in telework, and both IT and non-IT solutions to establishing telework programs within the agency.

Position eligibility for telework is contingent upon the needs of the specific business unit. Eligibility is determined by position and category of employment. The USPTO excludes from eligibility those positions where the primary duties include face-to-face interaction with internal and external customers.



Prior to participating in a telework program, each employee receives instruction on how to access USPTO systems remotely. In addition, each teleworking employee must be fully versed in the USPTO's "Rules of the Road"- a guide that explains employee responsibilities when using USPTO information technology resources.

The USPTO has an extensive IT security infrastructure and a strong security policy that work together to ensure that both personally identifiable information and business sensitive information are adequately protected from loss or theft. These protections have been implemented throughout the USPTO telework program and help to prevent the possible occurrence of a sensitive information security breach.

### ***What We Have Learned***

During the course of the past ten years as we have incorporated telework as a business strategy, we have found that education, communication, training, and collaboration are integral parts of a successful telework initiative. We have also learned to start small, gather metrics, and continually revisit our telework strategies.

### ***A Progressive Model***

I believe that the Trademark Work at Home Program and the Patents Hoteling Program are progressive efforts that will continue to serve as models for Federal agencies and that they are some of the best telework programs that the Federal Government has to offer.

A USPTO employee recently sent the following note, which I thought, might be of interest to the Committee:

"Since I have been on telework, I have found that my initial apprehensions were unfounded and that I am now an enthusiastic supporter of telework, including managing staff remotely. Arranging to get the equipment, to set it up and to learn to use it was no problem at all. I don't feel isolated when working at home. I find that I have no problem staying in touch with and productively interacting with staff or co-workers. When I need help, help is always readily available. As for keeping the work flowing, I am at least as productive as I was when working full time at the Office, and in many ways, more productive. With all of my normal Office tools available and working just as well at home as at the Office, I find myself in a familiar Office setting doing the same kinds of work I do at the Office. In addition, it has been great to be more available to help at home when the need occurs. That availability, plus the time saved, and being freed from a difficult commute cannot be underestimated. Whatever my initial expectations were with respect to going on the Patent Managers Telework Program, those expectations were far exceeded when it came time to actually participate in the program. "

### ***What Makes A Successful Telework Program***

The USPTO has developed and implemented successful telework programs because it has insisted on a studied, incremental approach, always concentrating on meeting the needs of the individual business unit while maintaining enough flexibility to attract employees to the program.

Our telework programs begin with the gathering of statistics and metrics. Performance appraisal plans must contain specific goals so that clear expectations of employee performance are communicated. Pre- and post-implementation surveys and focus groups of managers, participants, and employees remaining in the office are paramount to ensure that the needs of all the stakeholders are met. Documentation of program expectations through guidelines and work agreements helps manage expectations of supervisors and employees. Pilot programs help us learn lessons promptly and modifications can be made quickly to allow for program success.

Involving labor unions in the development of telework programs engages employees and promotes buy-in. Telework is a win-win for employees and management and should be promoted as a voluntary benefit that will enhance quality of life for employees.

Training and education are critical to the success of a telework program. Employees and managers must be trained in the technology of working at home with an emphasis on computer security. Practice using the technical tools and managing the expectation of what it is like to work at home helps teleworkers maintain high productivity and quality without feeling isolated from their colleagues at the office.

Teleworkers must have all the tools at home they need to successfully perform their jobs. At the USPTO, those who telework the majority of their workweek are provided the hardware and software needed to perform their jobs well, including a desktop on their home computer identical to that at the office. In addition, the USPTO either reimburses

teleworkers for their broadband costs or provides the high-speed connection that they need for relaying large amounts of data to the USPTO and its customers.

In summary, successful telework programs are comprised of well-trained employees who have all the resources they need at home to do their jobs well. Telework must be utilized as an agency business strategy to attract and retain the best and brightest employees.

Management must provide clear performance expectations and manage change transparently. In return, telework will be seen as a way for agencies to meet their performance goals, avoid real estate costs, and improve the quality of life for their employees.

### ***The “Telework Enhancement Act of 2007”***

We were pleased that Senators Stevens and Landrieu introduced the “*Telework Enhancement Act of 2007*” which would maximize telework participation within the Federal Government, and look forward to working further with the Committee on this legislation. Although Federal agencies have made great strides with their telework efforts and are far ahead of the private sector in allowing their employees to telework, further penetration could produce even more benefits.

Having a senior level telework coordinator at the USPTO demonstrates the significance and support that the USPTO gives to our telework initiatives. Our coordinator promotes telework by effectively communicating, to both employees and managers, our telework

policy and procedures, provides ongoing assessments of the programs, seeks program improvement and development and serves as a liaison between employees and managers.

The *Telework Enhancement Act of 2007* changes telework eligibility to make all federal employees eligible, unless determined otherwise by each agency, with exceptions made for employees handling secure materials or special equipment and those assigned to national security or intelligence positions. We feel strongly that more serious consideration should be given in deciding who is eligible for telework.

S. 1000 revises the definition of telework to be an arrangement whereby the employee works at an alternative work site at least two days per week versus the current definition of one day. Requiring at least two days per week would not provide sufficient flexibility for agencies and not permit them to implement telework in ways to fit their individual business needs.

For any telework program to be productive, managers must be totally on board. Without proper education and understanding of the benefits of teleworking, managers resist allowing their employees to telework because of concerns regarding productivity and fear of losing control over their employee's work product. However, once managers receive appropriate training and see that they are able to supervise teleworkers, or even telework themselves, their concerns are quickly alleviated.

As noted in S. 1000, all eligible employees should be encouraged by their agency's telework manager to participate in telework to the maximum extent possible. Telework officers should be aggressive in expanding the agency's telework programs, including proposing pilot programs for employees and managers.

September 11<sup>th</sup>, Hurricane Katrina, and the potential threat of a flu pandemic have taught us the need to be prepared in the event of a disaster. Telework should be used by Federal agencies as a major component of any continuity plan.

#### ***USPTO Demonstration Project***

We support a USPTO demonstration project that would give discretion to the USPTO to reimburse telework employees for travel expenses when reporting to the official Alexandria worksite. Under current GSA travel guidelines, if a telework employee has his or her Official Duty Station outside of the locality, the government is required to reimburse travel expenses when the employee reports to the official worksite. Agencies, therefore, are reluctant to allow employees to reside outside the local area due to increased travel costs. Giving agencies discretion regarding the payment of travel expenses in this limited situation would permit more teleworkers to voluntarily locate outside the area, assist agencies and employees in balancing work and personal needs, and help agencies with their efforts to retain valued employees.

## *Conclusion*

In conclusion, as the nation's largest employer, the Federal Government should be the leader in telework policy. A successful telework program can result in greater employee productivity, higher levels of sustained performance, reduced traffic congestion and air pollution, and reduced real estate costs. In addition, telework provides options for individuals with disabilities, assists agencies with their recruitment and retention efforts, helps offset the high price of gasoline, and provides agencies with continuity of operations in case of a future threat or disaster. Teleworking can greatly improve the quality of life and morale for employees by reducing their commuting time and costs, giving them more control over their schedules, and assisting them in achieving a balance between work and their personal lives and family.

The USPTO has demonstrated that telework works and is a winning proposition for our employees, our agency, and the American public. We appreciate this opportunity to testify before the Committee and look forward to working with you closely during the 110<sup>th</sup> Congress on this important issue.