

1999 Highlights

PTO appropriation

Congress passed Public Law 106-113 on November 19, 1999, limiting the Patent and Trademark Office's (PTO) appropriation to \$755 million from fees collected in FY 2000, an increase of about 1 percent over the previous year. In the same Act, Congress limits the PTO's use of fees collected in prior years to \$116 million. Total resources available to PTO in FY 2000 will be \$868 million.

PTO Re-established as performance-based organization

Public Law 106-113 re-establishes the PTO as the USPTO, an agency within the U.S. Department of Commerce, subject to the policy direction of the Secretary of Commerce. The USPTO retains responsibility for decisions regarding the management and administration of operations and exercises independent control of budget allocations and expenditures, personnel decisions and processes, procurements, and other administrative and management functions.

The new USPTO will be headed by an Under Secretary of Commerce for Intellectual Property and Director of the USPTO, appointed by the President. The USPTO's patent and trademark operations will be treated as separate operating units. The Secretary of Commerce will appoint a Commissioner for Patents and a Commissioner for Trademarks to serve as chief operating officers for the respective units. The Commissioners will enter into annual performance agreements with the Secretary and will be eligible for 50 percent bonuses based on their performance under those agreements. Officers and employees of the USPTO will continue to be subject to the provisions of Title 5 of the United States Code relating to Federal employees.

Patent and trademark fees

Public Law 106-113 also adjusts patent and trademark fees. On the basis of the PTO's activity-based costing project, it was found that trademark fee collections were not adequately funding the trademark area within the PTO. As a result, some patent fees were decreased, and, if necessary, the Commissioner may raise trademark fees more than the rate of inflation to reach parity.

PTO financial status

The PTO once again received an unqualified opinion from a national public accounting firm, under contract to the Department of Commerce's Inspector General, on the FY 1999 financial statements, reaffirming PTO's strong financial management.

Internet Services

PTO unveiled an online ordering system in March 1999, and now customers can use our Web site to order copies of certified and uncertified office records. Customers also can check the status of their orders, and receive patent copies electronically.

In April 1999, PTO unveiled new Internet databases which contain the text and images of more than two million patents dating back to 1976 and over one million registered and pending trademarks dating back to 1870. The more than 20 million pages in the database comprise two terabytes of science and technology and more than 100 years of marketing creativity.

Quality Management

PTO established an integrated quality management system, which includes leadership for and oversight of the PTO Quality Council. The Council establishes policy in such areas as survey methodology, in-house assessments, and performance measurement. The integrated quality management system is resulting in periodic

self-assessments, integration of performance measures, sharing of best-practices, fostering performance excellence, assisting business units with opportunities for improvement, establishment of a performance excellence library, liaison with regard to quality awards, and facilitating knowledge management.

Office of Independent Inventor Programs

On March 15, 1999, the PTO opened the new Office of Independent Inventor Programs, to meet the special needs of independent inventors and very small businesses. These inventors and businesses comprise more than a quarter of the PTO's customer base. The Office of Independent Inventor Programs is located within the Office of the Commissioner and provides a doorway at the PTO's highest policy levels where the independent inventor community can bring concerns and give input. This represents the PTO's first large-scale comprehensive approach to assist individual inventors and has been met with wide-spread approval.

PTO space acquisition

On June 14, 1999, the General Services Administration (GSA) announced its selection of an offeror for the PTO's new consolidated facility. The offeror has proposed the Carlyle site, located on currently undeveloped land in Alexandria, Virginia. The campus will comprise approximately 2 million square feet of occupiable space within five connected office buildings. GSA expects to award a 20-year lease to the developer.

Y2K

Y2K readiness was a must. The PTO is a highly technology-dependent agency. It relies on nearly 600 software products operating on 44,000 computers and other hardware. The computer systems process more than 92 million business transactions in a single year, and the patent and trademark examiners run more than 8 million searches on our databases. PTO internal staff, with the assistance of outside consultants, began

individually testing, repairing, and replacing the information technology infrastructure in January 1996 to ensure all components would function properly. Because of the intense dedication of staff and the prudence and proficiency of the technical team, Y2K came and went, and we experienced no problems with our systems.

High Impact Agency

As one of Vice President Gore's High Impact Agencies, PTO continued to work toward commitments that are enhancing customer satisfaction with the PTO because we are emphasizing our core business strengths of providing high quality and timely products and services to our customers.

Electronic Filing

For the past year the PTO has accepted electronically-filed applications for the registration of trademarks through the PTO web site, receiving more than 20,600 applications including 21,600 classes through the Trademark Electronic Application System (e-TEAS). E-TEAS is a significant accomplishment for the PTO and its customers as it meets one of our "high impact agency" commitments by enabling customers to do business electronically with the Office. Customers can file an application through the e-TEAS site 24 hours a day, 7 days a week and pay by credit card or by PTO deposit account. E-TEAS applications receive a filing date for the date the application is submitted and receive an electronic confirmation of receipt regardless of whether the Office is closed.

Mr. Peanut was first used in 1916.
The Mr. Peanut trademark was registered in 1925.

