



United States Patent and Trademark Office

**USPTO**  
2014-2018  
**Strategic Plan**

[www.uspto.gov/strategicplan](http://www.uspto.gov/strategicplan)



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# Message from the Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the United States Patent and Trademark Office (USPTO)

*[NOTE: The introductory Message from the Deputy Under Secretary will be included at a later date.]*





# Introduction

**T**he vision of *leading the Nation and the world in intellectual property (IP) protection and policy* is driving the USPTO toward the ideal patent and trademark systems for our country and the global economy. Strong IP systems foster innovation, which in turn drives economic success. Demand for IP protection worldwide is increasing, with 9.2 million applications<sup>1</sup> for IP protection filed in 2011, a 9.6 percent increase over the prior year.

## The USPTO Mission

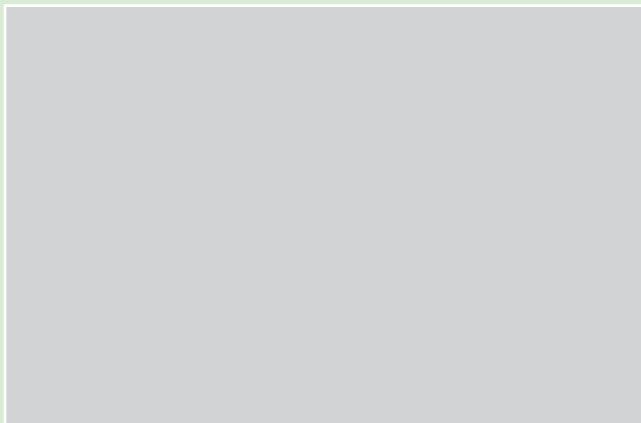
Fostering innovation, competitiveness and economic growth, domestically and abroad by delivering high quality and timely examination of patent and trademark applications, guiding domestic and international IP policy, and delivering IP information and education worldwide, with a highly skilled, diverse workforce.

Under the framework of the *2010-2015 Strategic Plan*, the USPTO took steps to strengthen its capacity, improve the quality of its patents and trademarks, and reduce the time it takes to obtain a patent. During that time, the Leahy-Smith America Invents Act (AIA) was enacted, which focused on the need to get quality innovations to the marketplace faster and more efficiently to help create new jobs, stimulate economic recovery and ensure our country's position as the global innovation leader.

Progress to date has placed the USPTO on the right path to success – patent pendency and inventory are trending downward, the transition to the next generation information technology systems is well under way, global collaboration is advancing, sustainable funding is on the horizon, and the USPTO is fulfilling its commitments to a 21<sup>st</sup> century diverse workforce.

The 2014-2018 Strategic Plan continues the progress made to date by building on the tangible successes of recent years. Our Patent business unit achieved an 18 percent reduction of the unexamined patent application backlog, an 7.4 month reduction in first office action pendency, and a 5.2 month reduction in average total pendency. Trademarks maintained its consistent steady-state pendency levels of 3 months to first action and total pendency at less than 12 months. Our geographic reach was expanded through the establishment of a satellite office in Detroit, Michigan, a

<sup>1</sup> World Intellectual Property Organization 2011 – patents, designs, and trademarks (classes)



Picture - Detroit satellite office

presence at satellite office locations in Denver, Dallas and Silicon Valley, and our award-winning telework program, thereby enabling us to truly achieve a nationwide workforce. Internationally, we worked collaboratively with the other major patent offices towards greater work sharing and harmonization, which has been aided by the adoption of first-inventor-to file in the United States.

While these accomplishments are notable by themselves, of greater importance is that they set the platform for further work towards achieving our vision as a global IP leader. This strategic plan, therefore, sets forth the next stage of this journey.

- We will establish the optimal pendency and quality levels for both patents and trademarks that will enable us to operate efficiently and effectively in a steady-state maintenance mode, while considering the expectations of the IP community.
- We will effectively administer the provisions of the AIA.
- We will continue to transform the USPTO with Next Generation technology and services.
- We will continue working with other Government agencies, Congress and our global partners to establish IP systems that benefit innovation, create jobs and lead to strong economies around the world.
- We will continue to recognize the importance of a strong and diverse leadership team, an agile management structure, and a diverse and engaged cadre of employees in achieving our mission and vision over the long term.

## CHALLENGES TO ACCOMPLISHING THE USPTO'S MISSION AND VISION

Achieving success is not without its challenges, which the USPTO will strive to overcome during the implementation of the goals, objectives and initiatives in this strategic plan. These include:

**Sustainable Funding:** Attaining full sustainable funding continues to be a challenge, particularly in this era of increased budgetary pressures. We will continue to pursue full access to all fee collections, establish operating reserves, stay current with business-oriented financial tools, and achieve permanent fee-setting authority. Failure could mean loss of fee-payer confidence if USPTO cannot fulfill the performance commitments it makes when setting fees.

**Managing the Patent Business' Unit Transition to Maintenance Mode:** As the Patent business comes closer to achieving its pendency and inventory targets, it will become increasingly more challenging to effectively manage the transition to a steady-state operation. These challenges include aligning workforce size with workload, and addressing the reality of achieving pendency targets in certain technology areas sooner than in others.

**Administering AIA Provisions:** The AIA significantly affected the operations of the Patent Trial and Appeal Board (PTAB). Success in implementing the patent dispute resolution portions of the AIA could make the PTAB the preferred tribunal, drive business away from district courts, and thereby increase the PTAB's case workload to levels that will be challenging to maintain reasonable pendency.

**Relationships with Oversight Entities:** As a fully fee-funded performance-based organization, the USPTO operates differently from traditional agencies. The challenge for the USPTO is to raise awareness among oversight entities of these differences.

**Reliance on Information Technology (IT):** As a production-oriented entity, the USPTO relies upon IT as a mission-critical enabler for every aspect of its operations. The challenge is to manage employee expectations, implement changes brought on by new legislation and the adoption of new technology, address evolving cyber security requirements, and plan long-term projects when there are financial uncertainties.



## USPTO STRATEGIC GOALS

### Mission-Focused Strategic Goals

**Goal I:** Optimize Patent Quality and Timeliness

**Goal II:** Optimize Trademark Quality and Timeliness

**Goal III:** Provide Domestic and Global Leadership to Improve Intellectual Property Policy, Protection and Enforcement Worldwide

**Management Goal:** Achieve Organizational Excellence

The USPTO will continue to make progress through the three strategic goals and management goal that were established in the 2010 strategic plan. These goals also constitute the Department of Commerce's (DOC) Strategic Objective for the USPTO to *Expand markets for United States (U.S.) firms and inventors by providing timely and quality decisions on patent and trademark applications, and improving the protection and enforcement of intellectual property rights.*

The USPTO's mission-focused strategic goals recognize the importance of IP to both the domestic and global economies. Promoting investments in ingenuity through effective IP policy is one of the building blocks to innovation for sustainable growth and quality jobs. These goals also reflect the contribution made by the USPTO in fostering innovation as a crucial driver of job creation, economic recovery, and prosperity. The patent and trademark strategic goals focus on the fundamental purpose of the USPTO, which is to deliver high quality and timely examination of patent and trademark applications. These are all encompassing goals which include the commitment to reducing/maintaining pendency by increasing efficiencies and leveraging international cooperation; enhancing quality; ensuring optimal IT service delivery to all users; and maximizing the performance of the two judiciary boards – the PTAB and the Trademark Trial and Appeal Board (TTAB).

The third strategic goal fulfills the same purpose but focuses on improving IP policy, protection and enforcement worldwide for the benefit of the American business community both here and abroad.

The management goal is considered foundational and enabling in that it is an essential precursor to achieving each of the mission goals. It encompasses the leadership, IT infrastructure, workforce and funding needed to fulfill the mission-related require-

ments. It further addresses the need to fully implement the four satellite offices and explore other possibilities for more effectively meeting user expectations.

Finally, all four goals encompass the USPTO's commitment to education and outreach. This is a key component of the mission to "deliver IP information and education worldwide" and focuses on the need to continue to craft and deliver educational programs about the benefits and effective use of IP to children, students, users of the IP system, and the public – both here and abroad.

To fulfill these goals, the USPTO has adopted the following strategies to continue progress in meeting its mission and achieving its vision as a model IP office for the world.

- Rely on a balanced approach of skilled human capital, application of the best technology, and continually improved processes to achieve a quality focused, cost-effective and responsive organization.
- Maintain a cadre of talented staff with the technical and legal expertise and vision to guide and support the USPTO of the 21st century.
- Achieve a sustainable funding model that provides the resources for a high-performing organization, while recognizing budgetary pressures and the need for cost containment.
- Enhance international cooperation and harmonization in IP legislation, regulatory requirements, policies, and procedures.

These strategies will be applied to the objectives and initiatives supporting our four goals to enable the USPTO, over the next four years, to achieve the following outcomes:

- The U.S. patent and trademark systems will be models for the world.
  - Patent pendency and backlog will be reduced to a sustainable level, quality will be consistently high, and legislative/administrative patent reforms will be efficiently implemented.
  - Trademark pendency will be maintained at levels that support the business community, and quality will be consistently high.
- Collaboration with global IP partners will continue to be enhanced, leading to greater harmonization of patent and trademark systems, strong IP enforcement throughout the world, and IP policies that benefit the global economy overall.

- Our funding will be secure through permanent fee-setting authority, access to all fee collections, and implementation of business tools.
- Our workforce will be diverse and nationwide, and will be comprised of a highly skilled talent pool.
- Our technology will be modern, efficient, secure, and available 24/7 to all users, regardless of geographical location.

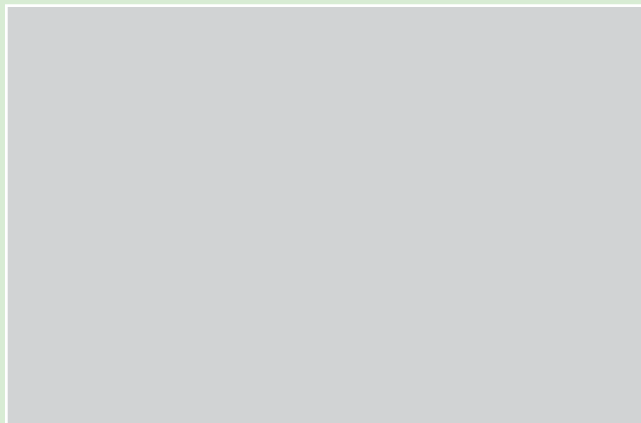
To ensure transparency in our work toward achieving our goals and objectives, information about key accomplishments and indicators are included in the Accompanying Information section of this Plan and routinely reported on the USPTO's Web site.

## EXTERNAL FACTORS

In this high-tech, innovative age, IP is generating interest, controversy, and administrative/legislative reforms in the United States and abroad.

**Growth of IP Worldwide:** Demand for IP rights, both here and abroad, has increased significantly over the past several years. Applications filed overseas can and do have an effect on USPTO workload.

**Economic Volatility:** The health and strength of the domestic and global markets influence demand for IP rights, and have a direct impact on USPTO operations.



Graph - Growth of IP Worldwide

**Continuation of Patent Reform:** The USPTO successfully and timely completed its implementation of all new statutory provisions of the Leahy-Smith America Invents Act. This Act, signed into law in September 2011, contains many fundamental changes to patent laws and USPTO practices, such as moving the United States to a “first-inventor-to-file” system from a “first-to-invent” system. These significant changes required USPTO to issue many new regulations that became effective in September 2012 and March 2013.

**White House Legislative Priorities and Executive Actions.** The Obama Administration recognized that patent reform “went about halfway to where we need to go” and has announced seven legislative priorities and five executive actions designed to reduce abusive patent litigation tactics and to ensure the highest-quality patents in our system.<sup>2</sup>

**Court Decisions** can affect USPTO practices and procedures. For example, the Supreme Court decision in *Association for Molecular Pathology v. Myriad Genetics, Inc.* was a case challenging the validity of gene patents in the United States that required a quick change in direction to USPTO examination practice.

**International Discussions** benefit American innovators and could lead to operational efficiencies, such as patent harmonization, work sharing and patent classification.

**Counterfeiting, Piracy, and Failure to Respect IP Rights** continue to be significant issues, particularly in fast-growing economies such as China and India. A major challenge facing the USPTO and the U.S. IP system is the illegal accessibility to copyrighted works through the internet.

**Growing IP Backlash:** Achieving consensus among countries advocating effective IP protection is critical for counteracting countries less supportive of efforts to enhance IP standards.

While these factors are outside the direct control of the USPTO, it is engaged with the five major IP offices in forecasting workload, has established operating reserves that could mitigate the impact of economic volatility, and is engaged in patent reform, pending court decisions and international discussions.





## GOAL I:

# Optimize Patent Quality and Timeliness

The strategic goal to “optimize patent quality and timeliness” recognizes the importance of innovation as the foundation of American economic growth and national competitiveness, as documented in the *Strategy for American Innovation*.<sup>3</sup> Through the goal, the USPTO has committed to reducing the excess inventory of unexamined patent applications and pendency – both of which affect the delivery of innovative goods and services to market and the related economic growth and creation of high-paying jobs.

Over the next four years, our strategic goal will be achieved via the following seven objectives and related initiatives.

## Objective 1: Refine Optimal Patent Pendency

### Initiatives to Achieve Strategic Goal I, Objective 1

- A. Work with stakeholders to refine long-term pendency goals, while considering requirements of the intellectual property (IP) community
- B. Continue to refine patent pendency metrics throughout the examination process and provide increased transparency of those metrics

Through this objective, we recognize the importance of continually refining and defining optimal pendency to take into consideration the external environment affecting workload inputs, the commitments made to the fee-paying public, and the need to ensure there is a balance between workload and production capacity. We also will continue our commitment to transparency by measuring and making public (i.e., through the Patent Dashboard) those aspects of the examination pipeline of particular interest to the public, for example the time it takes the USPTO to process requests for continued examination (RCEs), which provide an applicant the ability to obtain continued examination of an application by filing a submission and paying a specified fee, even if the application is under a final rejection, appeal, or a notice of allowance.

<sup>3</sup> Published by the President's Economic Council in February 2011.



## Objective 2: Increase Efficiencies and Patent Examination Capacity to Align with the Optimal Patent Pendency

### Initiatives to Achieve Strategic Goal I, Objective 2

- A. Hire/retain a nationwide workforce to meet pendency targets
- B. Develop and train an adaptable workforce to respond to emerging technologies, Office priorities and the evolution of law
- C. Enhance compact prosecution initiatives
- D. Offer patent application prosecution options

Through our second objective, we will put in place those initiatives needed to meet and maintain the pendency and inventory

targets established via the first objective. Of particular importance is the need to retain experienced examiners, and to continue establishment of a nationwide workforce.

- A nationwide workforce is one that can be recruited and may ultimately work from any geographic area of the United States, and is diverse, well trained, and stable. The patent examination workforce must also be adaptable so that it can readily respond to emerging technologies, such as nanotechnology, and the evolution of patent law.
- The patent examination processes must also be adaptable so they can continually evolve to meet changing technological and public needs. Thus, a high performing workforce and adaptable processes will enable us to better tailor our products and services to meet the needs of the IP community.
- Finally, efficiencies will be achieved by enhancing compact prosecution and offering patent application prosecution options, such as the first action interview and Track 1 options. By enabling applicants to more efficiently prosecute their applications, the Office will reap the benefits in terms of greater overall efficiencies resulting in lower pendencies and inventories.

Graph - Change in Patent Applications, Backlog and Examiners



## Objective 3: Increase International Cooperation and Work Sharing

### Initiatives to Achieve Strategic Goal I, Objective 3

- A. Fully implement Cooperative Patent Classification (CPC)
- B. Leverage the Patent Cooperation Treaty (PCT) to effectively use the work completed at the international stage in order to reduce the duplication of effort at the national stage
- C. Maximize the use of the Patent Prosecution Highway (PPH) to increase sharing and re-use of information between USPTO and its partner offices
- D. Implement the Global Dossier, which will improve examiner and external stakeholder access to work products of other IP offices to exploit the efficiencies that sharing search and examination results will provide

The third objective will help attain pendency targets through international collaboration, which is a critical component of an increasingly global IP system. While countries continue to maintain sovereign control over their patent laws and systems, collaboration among the various offices is increasingly important in fulfilling the needs of the global IP community.

These initiatives were launched over the past four years, and progress will continue under this strategic plan. Duplication and redundant efforts are neither cost-effective nor efficient. To better serve the fee-paying public, we are committed to pursuing avenues of potential efficiency and effectiveness. We will fully implement CPC and turn the U.S. Patent Classification system into a static art collection (i.e., it will be maintained but not updated). We will continue to leverage work-sharing opportunities through programs like PCT and PPH to contribute to reduced processing time. Our implementation of the Global Dossier (a system to simplify the viewing and management of applications filed in the IP5 Offices (the USPTO, the European Patent Office, the Japan Patent Office, the Korean IP Office and the State IP Office of the People’s Republic of China)) will incorporate ongoing activities under the IP5 such as work sharing and data exchange.

## Objective 4: Continue to Enhance Patent Quality

### Initiatives to Achieve Strategic Goal I, Objective 4

- A. Evaluate and refine the measurement of patent quality data
- B. Maximize usage of patent quality data
- C. Evaluate effectiveness of changes to the count system and performance appraisal plans; make additional modifications as needed
- D. Continually improve and provide timely technical and legal training

Quality means accurate and consistent results in examination. We have a long-standing commitment to patent quality, and over the past four years, our quality measurement has been expanded and made increasingly more transparent.

- Under this objective, we will evaluate and refine the Patent Quality Composite measure by changing and adding components as needed. We also will act on the data provided by the Quality Index Reporting system, which tracks a variety of processing measures that relate to quality and prosecution efficiencies.
- We are engaging with our professional bargaining unit on changes to the patent examiner count system, particularly focused on RCEs, and modifications to the performance appraisal plans.
- Quality also depends on the level of in-process compliance, which can be improved by training and reflected in performance appraisal plans and sampling. As part of the training effort, we will focus on improving the examination of functional claims and improving claim clarity, which is part of the White House Executive Actions on High-Tech Patent Issues.

## Objective 5: Ensure Optimal Information Technology (IT) Service Delivery to All Users

### Initiatives to Achieve Strategic Goal I, Objective 5

- A. Stabilize the Patent Application Location Monitoring (PALM) and other legacy IT systems
- B. Redesign and re-architect current patent IT systems to provide end-to-end electronic processing
- C. Increase the acceptance, creation and publication of standardized, structured, and searchable patent data and documents
- D. Upgrade search systems
- E. Identify IT opportunities with other IP offices to invoke work sharing efficiencies

An important component of the Patent goal is to leverage IT to accomplish the mission-related objectives. This Patent objective reaffirms our commitment to patent end-to-end processing and lays out our plans for ensuring optimal IT service delivery to both internal and external users.

- Consistent with our IT mission to transform the USPTO with next generation technology and services, this objective focuses on developing and implementing end-to-end processing, known as Patent-End-to-End (PE2E). This is being done by re-designing and re-architecting patent IT systems, and developing eXtensible markup language (XML)-based solutions.
- At the same time, to ensure optimal service delivery to all users, we will stabilize the PALM and other legacy systems, upgrade search systems, and explore IT opportunities with other IP offices, such as work sharing and data exchange.

Overall, enhanced Patent IT systems will ultimately lead to higher quality products and services, maximization of efficient patent processing times, and further evolution of electronic commerce and an electronic workplace for the Patent business.

## Objective 6: Continue and Enhance Stakeholder and Public Outreach

### Initiatives to Achieve Strategic Goal I, Objective 6

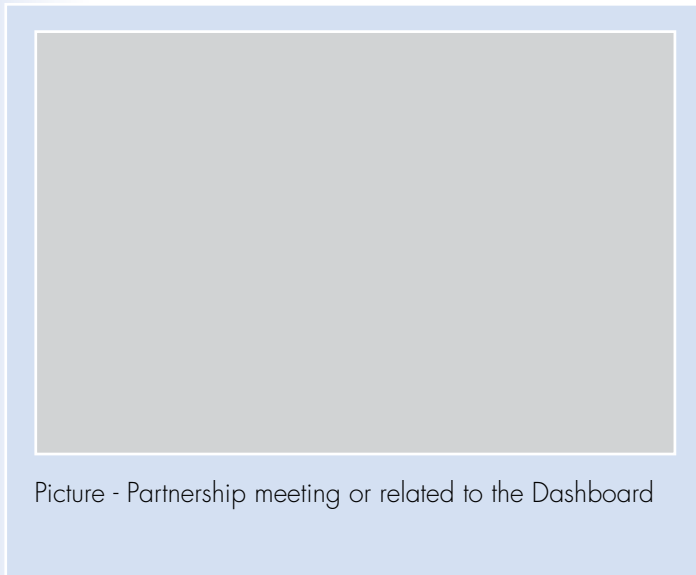
- A. Expand stakeholder awareness of the various support resources for users
- B. Continue facilitating the growth of the patent pro bono program
- C. Expand technology-specific and topic-specific partnerships
- D. Expand outreach related to CPC
- E. Increase awareness and transparency of patent information, and patent application and ownership information
- F. Engage stakeholders to advance the implementation of the Leahy-Smith America Invents Act (AIA) and explore opportunities for further reform by the Office

Our commitment to promoting the availability of educational resources for applicants and other users will be continued and enhanced, and we will engage with our stakeholders to refine USPTO patent policies and processes.

- The AIA established the Ombudsman Program for Small Business Concerns, which enhances the USPTO's ability to assist small businesses and independent inventors. This program combines the efforts of the Office of Innovation and Development and the Patent Ombudsman Program. Together these programs offer a full range of services at all stages of the patenting process, including before an application is filed as well as when issues arise during patent application prosecution.
- The AIA also encourages the USPTO to “work with and support intellectual property law associations across the country in the establishment of pro bono programs designed to assist financially under-resourced independent inventors and small businesses.” Under this objective, we will pursue having every region of the country covered by pro bono assistance for financially under-resourced inventors so that no worthy invention is left undiscovered.



- Partnerships with the IP community, including technology communities such as the software community, provide an opportunity to bring stakeholders together through a series of roundtable discussions to share ideas, feedback, experiences, and insights on specific legal topics and technology-related patents. The number of partnerships will be expanded.
- We are reaching out to interested parties regarding the transition to CPC; i.e., to inform and seek input from our user community and examination staff throughout the process.
- We will enhance awareness and transparency of information by promoting the USPTO's Data Visualization Center on our Web site. Patent application and patent ownership information, including real-party-of-interest information will be promoted.
- We will continue to engage stakeholders to ensure that the AIA is fully implemented throughout the USPTO in both a manner that is consistent with the law, and one that meets stakeholder expectations. While doing this, we will explore opportunities for further reforms by the Agency, such as the White House Executive Actions on High-Tech Patent Issues.



## Objective 7: Maintain the Patent Trial and Appeal Board's (PTAB) Ability to Provide Timely and High Quality Decisions

### Initiatives to Achieve Strategic Goal I, Objective 7

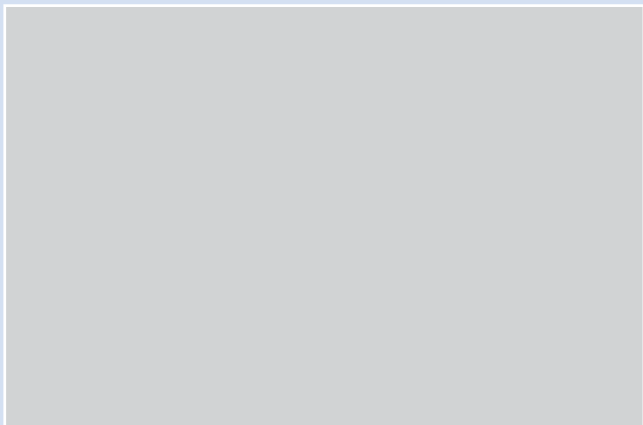
- Define optimal pendencies for PTAB proceedings
- Hire/retain an adaptable nationwide PTAB workforce, including management staff, to meet pendency and quality targets
- Develop an automated tool for centralizing the collection, retrieval, and sharing of operational data
- Ensure consistency in PTAB decisions

The AIA, in September 2012, re-established the Board of Patent Appeals and Interferences as the Patent Trial and Appeal Board. At that time, the PTAB began accepting petitions for some of the new AIA post grant proceedings. The PTAB has been increasing the size of its staff to address both appeals inventory and the new AIA proceedings.

- The PTAB must manage pendency for three different activities: the AIA proceedings which, by statute, must be adjudicated within one year of institution; appeals in re-examination proceedings which, by statute, must be completed with "special dispatch"; and appeals in regular *ex parte* applications. The PTAB's goal is to meet the statutory timeliness requirements for decisions in AIA proceedings and in appeals from re-examination proceedings. While no statutory timeliness requirement exists for appeals in regular *ex parte* applications, the PTAB is committed to reducing the inventory of appeals by hiring to the extent possible, clearing oldest cases, and reassigning judges according to greatest need.
- The PTAB plans to continue its efforts to hire and retain a workforce necessary to meet the pendency and quality targets. New judges at the PTAB generally have extensive IP experience, for example, long and distinguished careers in the private sector, and multiple scientific or engineering degrees up to and including PhDs. Management is critical, and the PTAB is

challenged in continuing to find and hire qualified and suitable judges and management staff.

- The ability for the PTAB to access and utilize its operational data in an efficient manner is critical. The PTAB currently works with various IT systems that must be centralized for more efficient collection, retrieval and sharing of data.
- During unparalleled growth, it is critical for the PTAB to ensure consistency in its decisions through review of decisions in AIA proceedings and through an increase in the number of decisions considered for precedential and informative designations.



Picture - PTAB



## GOAL II:

# Optimize Trademark Quality and Timeliness

The USPTO's trademark operations have been guided by the strategic goal *to optimize trademark quality and timeliness* for the past four years. The USPTO protects consumers and provides benefits to businesses by effectively and efficiently carrying out the trademark laws of the United States. Through Federal trademark registrations, consumers can identify the source of products and services, and have reliable indicators of the quality of their marks.

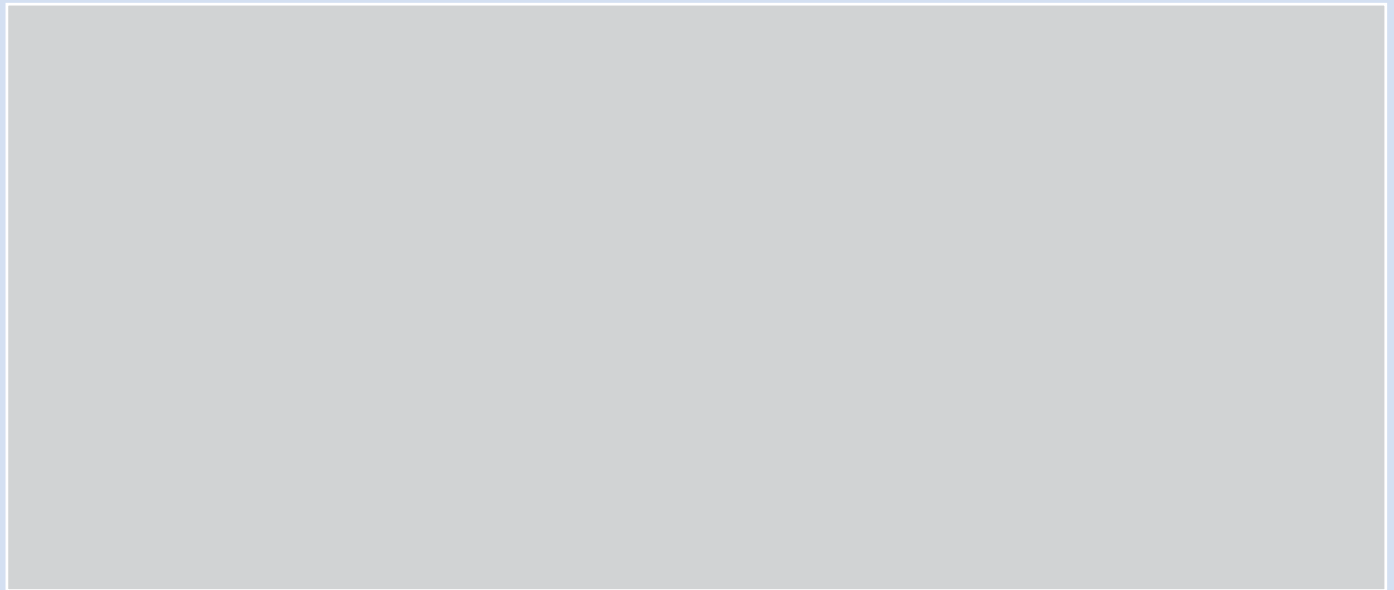
The USPTO has achieved a strong performance record improving trademark pendency and quality results. Trademarks have been registered in less than 12 months on average since 2008. An indication of registrability via a first action has been taken in less than 3.5 months every month since April 2007. First and final action compliance rates have been more than 95 percent. The number of trademark applications processed electronically has increased to 78 percent in 2013.

This high and sustained performance level will continue under the *2014-2018 Strategic Plan*. The following objectives will focus on the management actions required to continually ensure that staffing, resources and refined processes are aligned with demand for products and services.

## Objective 1: Maintain Trademark First Action Pendency on Average Between 2.5-3.5 Months with 12 Months Final Pendency

### Initiatives to Achieve Strategic Goal II, Objective 1

- A. Align examination capacity with incoming workloads
- B. Continue to define and validate optimal pendencies
- C. Work with stakeholders to develop long-term pendency goals that increase examination efficiency, maintain an optimal pendency level, and meet the expectations of the IP community



Graph - Growth in Trademark Applications, Balanced Disposals and Examining Attorneys

Trademark application filings can be volatile, and we will continue to align trademark examination capacity with incoming workloads through various management techniques, such as hiring, judicious use of overtime, production incentives, and the approval of career development details.

We believe that we have achieved optimal pendency, but we will continue to make process and IT improvements. Further we are committed to continuing the revalidation of our overall targets with our IP community.

In addition to managing trademark examination capacity, we will continue to encourage our applicants to make greater use of electronic communication throughout the process. To do this, we will continue to solicit feedback from applicants to improve the current rate of applications managed electronically.

## Objective 2: Maintain High Trademark Quality

### Initiatives to Achieve Strategic Goal II, Objective 2

- A. Continually maintain and improve quality measurements by: continually evaluating examination quality; providing targeted training to address quality issues; and providing legal training and education

Quality measurement takes into consideration adherence to registrability standards, and the comprehensive excellence of office actions, including search, writing, legal decision-making, and evidence. We have routinely achieved our trademark quality targets, and are committed to sustaining these high performance levels by improving training and feedback, promoting electronic filing and processing, making greater use of on-line tools and enhanced processes, and adopting more rigorous customer-centric measures.

We will continue our multi-faceted training program for our trademark examining attorneys. This includes legal training by our offices of quality review and training and our legal policy office, and





by outside constituent groups. We are also engaging stakeholders in validating our quality findings, and we are working with industry experts on updating identifications (IDs) for goods and services.

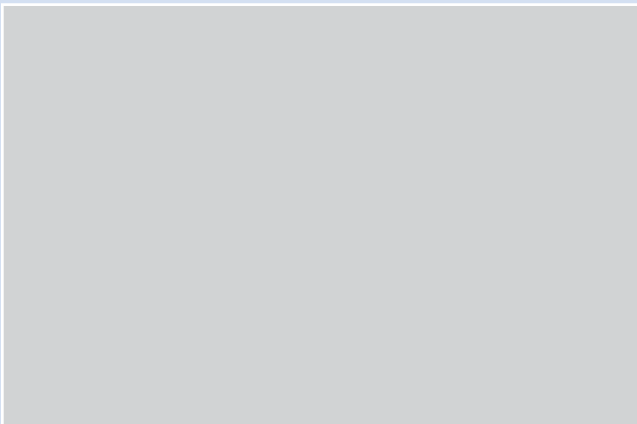
## Objective 3: Ensure Optimal IT Service Delivery to All Users

### Initiatives to Achieve Strategic Goal II, Objective 3

- A. Modernize IT systems by developing and implementing the Trademark Next Generation (TMNG) IT system to create full electronic workflow, and state-of-the-art IT resources for external and internal users
- B. Continue to provide optimal service on legacy systems to employees and public users

TMNG, which is currently under development, would enable end-to-end processing that is faster, more practical, more feature-rich, and more reliable for USPTO employees, trademark applicants and trademark owners. TMNG development will take advantage of virtualization and cloud computing. Using this technology requires us to redesign our present system, which will give us the opportunity to further functionality, flexibility and mobility.

While TMNG is under development, the USPTO is committed to providing optimal service on all current legacy Trademark systems for both employees and external users. In addition, these systems must be stabilized for use during TMNG development.



Picture - School Clinic

## Objective 4: Continue and Enhance Stakeholder and Public Outreach

### Initiatives to Achieve Strategic Goal II, Objective 4

- A. Expand outreach to stakeholders by providing opportunities for interaction and updates on Trademark operations and other important issues
- B. Assist in providing access to pro bono trademark legal services through USPTO's law school clinic program
- C. Encourage use of the Federal registration system for trademark owners who are unfamiliar with the application and registration maintenance processes
- D. Engage stakeholders to ensure integrity of the register

This objective continues and enhances our outreach to stakeholders and the public.

- We are expanding outreach to practitioners around the country by holding roundtables for an open discussion with USPTO trademark staff; for example, to discuss the impact of technology changes on descriptions of goods and services.
- We also assist patent and trademark applicants by providing pro bono services through our law school clinic program. This program allows law students enrolled in participating law schools to practice both patent and trademark law before the USPTO under the strict guidance of a faculty supervisor. Students gain experience drafting and filing patent applications or trademark applications for clients of the law school clinic. Further, as they are authorized to practice before the USPTO, they gain experience answering Office Actions and communicating with either patent examiners or trademark examining attorneys for the applications they have filed.
- The USPTO is reaching out to provide small businesses around the country with information about trademark basics, enforcement measures, and available tools for protecting and enforcing trademark rights. These programs and materials are geared to those generally not acquainted with trademark information, such as non-trademark attorneys, the small business community, the entrepreneurial community, and students.

## Objective 5: Enhance Operations of the Trademark Trial and Appeal Board (TTAB)

### Initiatives to Achieve Strategic Goal II, Objective 5

- A. Develop consistent pendency measures and reduce overall pendency for appeal and trial cases
- B. Enhance quality of TTAB orders and opinions, and contribute to development of the law through issuance of precedential decisions
- C. Expand outreach to stakeholders by providing opportunities for interaction and updates on TTAB operations and other important issues

The TTAB is an administrative tribunal of the USPTO, and is empowered to determine the right to register. The Board has jurisdiction over four types of inter partes (trial) proceedings, namely, oppositions, cancellations, interferences, and concurrent use proceedings, as well as ex parte appeals from applicants whose marks have been refused registration. Concurrent use proceedings are few in number, relative to other trial proceedings, and interferences, although authorized by statute, have not been conducted in many years. Therefore, oppositions, cancellations and appeals comprise virtually all of the Board's workload.

- The TTAB has engaged in significant discussions with constituents to discuss expectations for performance measures and pendency times, and will continue doing so. The Board and stakeholders will work collectively toward reducing and standardizing overall “end-to-end” processing times (i.e., commencement to completion processing times) for appeal and trial cases, so that parties and their attorneys know what to expect in terms of process and pendency. TTAB information is now included on its own Web page and in the USPTO Data Visualization Center. In addition to maintaining information about operations on these parts of the USPTO Web site, the TTAB will be conducting annual roundtables with stakeholders on Board practice and, during these roundtables solicit additional suggestions for ensuring transparency about operations.
- Reducing pendency entails both streamlining appeal and trial case procedures and improving the TTAB's ability to mine

data from the IT systems so that attention can be paid to the particular points in processes that hold the most potential for process improvement. It also entails working with the parties to, and attorneys practicing in, cases before the TTAB to provide instruction in how best to practice before the Board to promote efficient resolution of proceedings.

- Procedural orders and decisions are issued by the TTAB paralegal staff in both appeal and trial cases, and these are critical to keeping cases moving. Contested motions that arise in trial cases are handled by interlocutory attorneys. Administrative Trademark Judges author final opinions on the merits in all types of cases. Appropriate decisions and opinions by attorneys and judges are identified and issued as precedents of the Board. TTAB plans to maintain and, where necessary, enhance the quality of all orders, decisions and opinions by engaging in quality review of orders on motions, whether contested or uncontested or consented. Judges also engage in peer quality review.



## GOAL III:

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# *Provide Domestic and Global Leadership to Improve Intellectual Property Policy, Protection and Enforcement Worldwide*

**T**o keep competitive in an increasingly globalized economy, U.S. large and small businesses need as much certainty as possible in the creation, protection and enforcement of their IP, both here and abroad. Under this strategic goal, the USPTO advocates for U.S. Government IP policy by increasing its presence and activities domestically and internationally; and partners with international counterparts in pursuit of strong IP policies, protection and enforcement worldwide.

This goal focuses on the overall IP policy leadership and education roles that the USPTO carries out through its legislative mandate to advise the President, through the Secretary of Commerce, and all Federal agencies on national and international IP policy issues, including IP protection in other countries.

## Objective 1: Provide Leadership and Education on IP Policy and Awareness

### Initiatives to Achieve Strategic Goal III, Objective 1

- A. Provide policy formulation and guidance on key IP issues in all fields of IP protection and enforcement
- B. Engage other U.S. Government Agencies and Congress on legislation that improves the IP system
- C. Lead domestic and international copyright initiatives and policy development for the U.S. Government
- D. Provide domestic education outreach at all levels, including through distance learning, knowledge enhancement and capacity building
- E. Leverage technology to increase domestic and international education, training and outreach at all levels
- F. Expand knowledge of domestic and international IP landscape and public impacts of IP through empirical research and fact-finding

Through policy leadership, advocacy, and technical expertise, the USPTO promotes effective IP rights both at home and abroad. For example, this past year the USPTO was instrumental in helping achieve the Marrakesh Treaty to Facilitate Access to Published Works for Persons who are Blind, Visually Impaired, or otherwise Print Disabled, and development of the DOC's green paper on copyright, *Copyright Policy, Creativity, and Innovation in the Digital Economy*. The USPTO also provides technical assistance to the Office of the U.S. Trade Representative (USTR) in connection with the negotiation and implementation of IP rights provisions contained in the U.S. Free Trade Agreements.

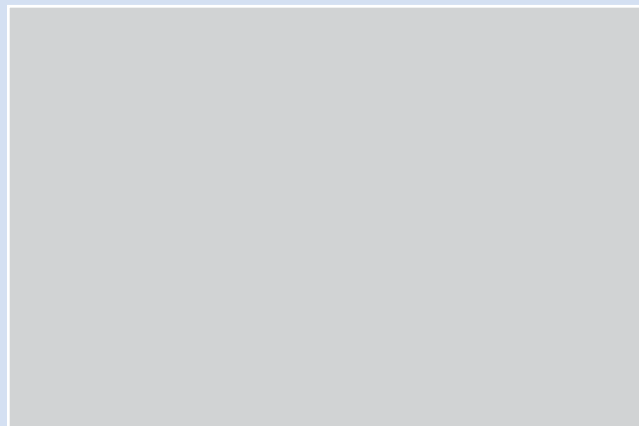
Because IP is continually evolving, legislation to improve the U.S. IP system is frequently required. Under this objective, the Administration's IP-related legislative agenda will be advanced. In addition, the USPTO will continue working with all other Federal agencies and Congressional entities to monitor the IP provisions of any other proposed legislation.

The USPTO also educates the public and the IP community on all aspects of IP. This will be continued by enhancing distance learning capabilities (e.g., by leveraging technology), and creating

alliances and cooperation with Federal, state and other stakeholders. Programs are focused on protecting and enforcing IP in the United States, and doing business overseas. Programs generally are directed toward small and medium enterprises, minorities, women and Native Americans. Outreach to stakeholders will focus on the areas around satellite offices and regional cooperative entities, such as Cornell University in New York.

A key component in fulfilling this objective is to expand knowledge of the domestic and international IP landscape and public impacts of IP through empirical research and fact-finding. This will be done through long-term research conducted by the Office of the Chief Economist. The results of the research can then be used to guide USPTO initiatives and policy recommendations with respect to the broader functioning of IP systems. For example, research could focus on the current software patent debate regarding the extent to which software and computer-implemented inventions should be patentable.

This objective also entails expanding the Thomas Alva Edison Visiting Scholars program that brings academics to the USPTO to develop empirical data and analysis on which to base efforts to promote innovation.



Picture - Marrakesh Treaty signing



## Objective 2: Provide Leadership and Education on International Agreements and Policies for Improving the Protection and Enforcement of IP Rights

### Initiatives to Achieve Strategic Goal III, Objective 2

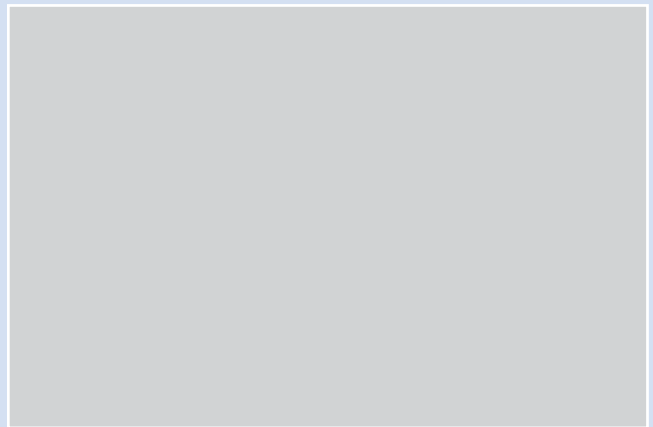
- A. Lead administration efforts at World Intellectual Property Organization (WIPO) and other international fora to improve IP protection and enforcement, and to further efficiency and cooperation in the global IP system
- B. Prioritize countries of interest for purposes of improved IP protection and enforcement, capacity building, legislative reform, including creation of country/region strategic plans and specific action plans
- C. Provide technical expertise in the negotiation and implementation of bilateral and multilateral agreements that improve IP rights protection and enforcement
- D. Support and advise the administration in leading and negotiating the IP aspects of free trade agreements
- E. As appropriate, work jointly with Congress on matters pertaining to international agreements
- F. Work jointly with the administration to improve IP protection and enforcement in China

This second objective focuses primarily on the USPTO's activities in the international IP system, which includes multilateral and bilateral activities worldwide.

- We will continue to lead the promotion of harmonization by working closely with other international entities. Innovators need cost-effective ways of obtaining reliable rights in multiple jurisdictions. Therefore, pursuing the alignment of laws and procedures among IP systems is critical for ensuring consistency and clarity of rights for innovators as they seek to tap into global markets. The AIA moved this effort forward with the adoption of the first-inventor-to-file principle in the United States. The PPH and the CPC efforts are examples of inter-

national work saving cooperation programs that both benefit from and contribute to international harmonization of patent laws and operations.

- The USPTO relies on information from the USTR's annual Section 301 Report to help prioritize those countries that most need to improve their IP protection and enforcement. The USPTO then will prepare specific strategic or action plans that could be focused, for example, on capacity building or creation of new or updated IP legislation.
- An ongoing activity is to provide technical expertise in the negotiation and implementation of bilateral and multilateral agreements that improve IP rights protection and enforcement.
- The USPTO also supports and advises the administration in the negotiation and implementation of the IP aspects of free trade agreements. For example, the USPTO is currently engaged in negotiating a Trans-Pacific Partnership trade agreement that will include state-of-the-art IP protection and enforcement provisions. The USPTO is also preparing for negotiation of a comprehensive Transatlantic Trade and Investment Partnership agreement with the European Union.
- When appropriate, we will work with Congress on legislation relevant to international agreements.



Picture - Negotiations with China

- We will continue to work jointly with the administration to improve IP protection and enforcement in China. This includes continuing to work with the Department to post IP Rights Attachés in China, who promote high standards of IP protection and enforcement. The USPTO will also continue participating in the Joint Commission on Commerce and Trade, the principal vehicle for the United States and China to discuss trade-related IP issues.



## MANAGEMENT GOAL:

# Achieve Organizational Excellence



**F**ulfillment of the USPTO's mission and accomplishment of our goals, objectives and initiatives requires strong and diverse leadership and collaborative management. In this sense, organizational excellence is a shared responsibility and is focused on sound resource management, solid workforce planning, quality legal services, fruitful relationships with employees and stakeholders, modern corporate support services, and effective development and use of IT. This management goal focuses on the organizational excellence that is a prerequisite for achieving our three mission-oriented strategic goals; therefore, objectives under this goal are foundational to all others in the strategic plan.

### Objective 1: Leverage IT Investments to Achieve Business Results

#### Initiatives to Achieve Management Goal, Objective 1

- A. Leverage IT to improve internal and external collaboration and information sharing
- B. Enhance the internal and external user experience; for example, by developing user-driven products, including those accessible in a mobile environment
- C. Evolve and improve IT infrastructure and services
- D. Continue to provide cost-effective, transparent operations, processes and information
- E. Deliver cost-effective and seamless next generation IT solutions; for example, integrations of Patent End-to-End (PE2E), Trademark Next Generation (TMNG), and Fee Processing Next Generation (FPNG)

This objective focuses on the foundational aspects of the USPTO's IT activities that are required to support all of the mission-specific systems that are identified under the strategic goals. It also entails identifying and producing measurable business improvements.



- As the USPTO progresses toward achieving its nationwide workforce goals, the ability for employees and users in various parts of the country to communicate, collaborate and share information becomes increasingly critical. This also applies to our continually increasing interactions with users overseas and, particularly, foreign IP offices.
- To enhance the user experience, the USPTO will provide next generation technology that leverages web-like features for usability and accessibility. We will incorporate user centered design methodologies and use agile development, which requires constant interface with the public and our employees during development to get their perspectives as early as possible to shape technology products.
- IT infrastructure and services continue to be critical even as the USPTO continues its evolution to next generation systems. For the majority of employees and users who interact with the USPTO, this means ensuring that the PALM and Trademark Reporting and Monitoring (TRAM) legacy systems continue to meet business needs until they are replaced.
- As a user fee-funded organization with authority to set fees by regulation, we are committed to providing cost-effective, transparent operations and processes. For IT projects, this means that they will be baselined utilizing IT project management best practices and processes to ensure adequate visibility, show meaningful progress, and provide accurate tracking of project costs.
- To deliver cost effective and seamless next generation IT solutions, the USPTO will improve the ability to examine patent and trademark applications and collect revenue through next generation platforms such as PE2E, TMNG, and FPNG. This will result in improved examination and revenue collection capabilities with user friendly and reliable tools that support a

nationwide workforce with 24/7/365 operations support and the business operations recovery needs to sustain examination, accept applications and collect revenue.

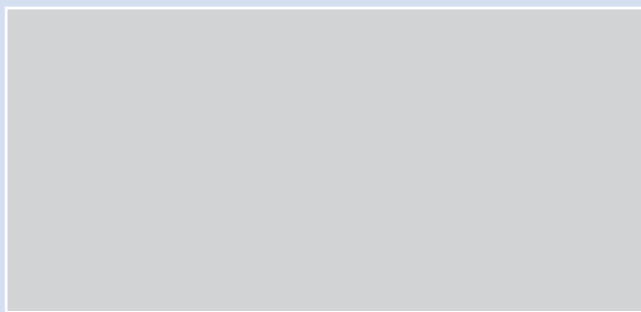
## Objective 2: Continue to Build and Maintain a Flexible, Diverse, and Engaged Workforce

### Initiatives to Achieve Management Goal, Objective 2

- A. Continue to enhance our telework environment by offering more telework opportunities and developing skill sets specific to leadership in a telework environment
- B. Implement programs aimed at enhancing employee engagement, and ensuring the nationwide workforce stays integrated with the corporate culture
- C. Promote learning and job opportunities for all levels of employees
- D. Enhance recruitment and hiring efforts to help sustain and develop a highly qualified and diverse workforce including the senior leadership team
- E. Continue to build collaborative relationships with labor unions and affinity groups

This objective continues to focus on the USPTO's human capital vision, namely to *recruit, develop and retain a high-performing, highly skilled, diverse workforce necessary for mission success, and to foster the next generation of USPTO employees and leaders.* This commitment to our employees resulted in our being named one of the U.S. Federal Government's Best Places to Work in 2013 by the non-profit Partnership for Public Service, which ranked the USPTO # 5 out of 292 Federal agency subcomponents based on a survey of more than 700,000 civil servants conducted by the Office of Personnel Management.

- We continue to demonstrate our strong commitment to telework with all business units. This objective highlights the importance of strengthening management skills to ensure our managers have the skills needed to manage in a telework environment, as well as making management position opportunities more attractive to potential candidates.



Graph - Statistics of Business Units Telework usage



### Affinity Groups

Voluntary employee organizations that are based on a shared common background and/or special interest

Affinity  
Group  
Logo 1

Affinity  
Group  
Logo 2

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Logo 12

- Fostering an active communication culture as a vital part to achieving transparency, accountability and interactivity throughout the Agency is a critical human capital component. As such, the USPTO will continue to identify new and innovative ways to engage employees, and enable employees to communicate and collaborate with each other, particularly those who comprise the nationwide workforce. Research shows that highly engaged employees have greater job satisfaction which leads to increased productivity. Engaged employees are more loyal and more likely to stay with an organization, thus increasing employee retention. A highly engaged workforce is also more attractive to future employees, allowing highly engaged organizations to attract top talent.
- Leadership development opportunities will be provided for all USPTO employees. This objective will focus on ensuring that all employees will be able to avail themselves of career development opportunities that provide a pathway to leadership at the USPTO, particularly by developing strong, diverse candidate pools.

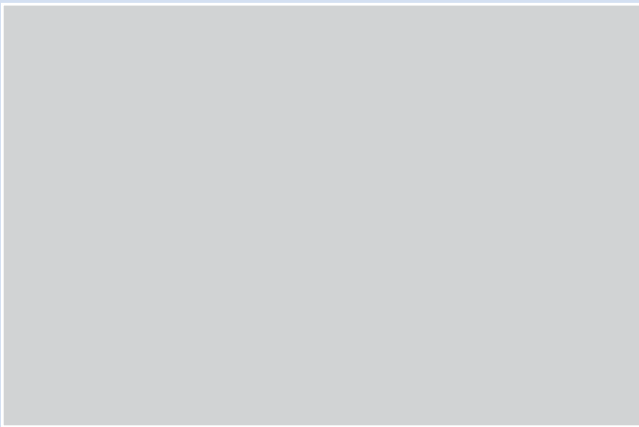
- As we continue to apply automated technology to our processes, we will be providing learning and job opportunities for those directly and indirectly affected by the deployment of new IT systems.
- We will continue to enhance our recruitment and hiring efforts to sustain and develop a highly qualified and diverse workforce. The people we hire perform technically demanding work, and their skills are marketable throughout the private and public sectors. The challenge of acquiring and retaining the right people with the right skills is the focus of this objective.
- We have three bargaining units and 12 affinity groups which represent a significant number of USPTO employees. Continuing to build good relationships with these groups is a key component of our commitment to strong employee engagement.

## Objective 3: Enhance Internal and External Relations

### Initiatives to Achieve Management Goal, Objective 3

- Improve information and communication channels
- Strengthen relationships with Department of Commerce (DOC), the Office of Management and Budget (OMB), other Federal agencies, and Congress
- Promote a culture across USPTO of outstanding customer service for both internal and external customers
- Streamline stakeholder access to USPTO services and programs
- Increase stakeholder partnerships and collaborations
- Support Government wide efforts to promote Science, Technology, Engineering and Mathematics (STEM) education initiatives

The education and outreach objectives in the mission-oriented strategic goals focus on the specific topics and audiences related to those goals. This objective focuses on the processes that will be used in fulfilling the education/outreach portion of the mission.



Picture - STEM activity

- We will focus on enhancing the way communication is delivered, such as communication channels that ensure all constituent types are receiving information in a manner most appropriate for them; for example, by using social media to reach new and different target audiences.
- We will continue our commitment to strengthen relationships with the DOC, other Federal agencies and entities, and Congress to lead to more mutually beneficial oversight of USPTO activities.
- To promote a culture of outstanding customer service, we will be conducting an assessment of touch points across the Agency, from the guard's desk to call centers to examiner's interviews and the Ombudsman program.
- We will streamline stakeholder access to USPTO services and programs by centralizing our call centers to achieve "one-stop shopping".
- Outreach will focus on partnerships with the IP community, including technology communities such as the software community. These partnerships provide an opportunity to bring stakeholders together through a series of roundtable discussions to share ideas, feedback, experiences, and insights on specific legal topics and technology-related patents.
- We will continue to engage our Patent and Trademark Public Advisory Committees.

- We are also committed to supporting the Administration's STEM agenda to provide students at every level (i.e., K-12, as well as college level) with the skills they need to excel in the high-paid, highly rewarding fields of science, technology, engineering, and math. USPTO STEM efforts focus on IP and include programming tailored to underserved and underrepresented audiences.

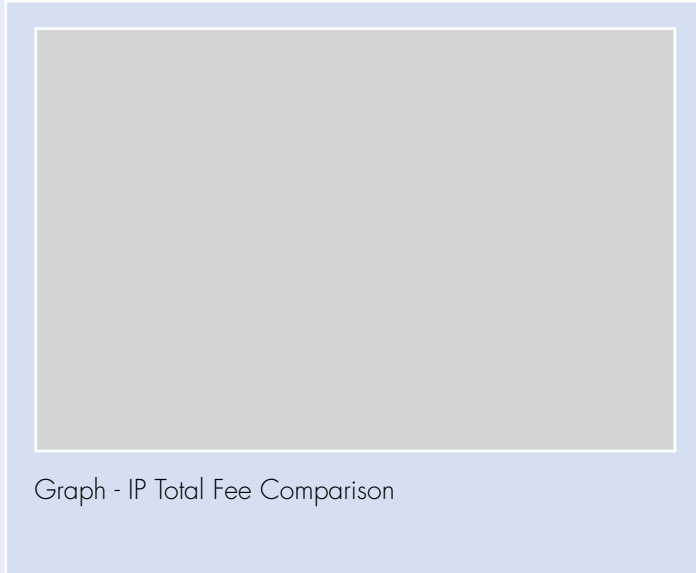
## Objective 4: Secure Sustainable Funding to Deliver Value to Fee-Paying Customers and the Public

### Initiatives to Achieve Management Goal, Objective 4

- Ensure spending authority to use all fee collections
- Make the USPTO fee-setting authority permanent
- Continuously optimize the fee structure
- Continue identifying, obtaining and implementing private sector business tools
- Maximize cost efficiency and transparency

The USPTO will continue its work to establish a sustainable funding model that provides us with a reliable and sustainable source of funding. Our operating structure is like a business in that it receives requests for services—applications for patents and trademark registrations—and charges fees projected to cover the cost of performing the services we provide. Enactment of the AIA represented a significant leap forward in achieving a sustainable funding model. This objective continues the effort to supplement or refine those authorities.

- A primary consideration for the USPTO and its fee-paying users is to ensure access to, and authority to use, all fee collections. The AIA established the Patent and Trademark Fee Reserve Fund where collections in excess of approved spending levels would be deposited for later use. This, however, does not guarantee that the USPTO will gain access to those fee collections. Therefore, we need to continue pursuing options for addressing this issue that take into consideration the public policy issue of curtailing government spending, as well as ensuring continued support from our fee-paying constituents.



Graph - IP Total Fee Comparison

- Although the AIA gave us authority to set fees by regulation, it also includes a seven-year sunset provision. We are committed to taking the steps necessary to ensure that fee setting is made permanent. One way of validating the need for permanent fee-setting authority is to continuously review and refine the fee structure using all analytical tools available to make sure we are recovering costs that are deemed to be reasonable.
- We will continue to pursue tested private sector business tools, such as establishing an operating reserve, and determine if any other tools are viable for USPTO to secure a sustainable funding model. For example, investment authority may be a viable tool once we reach an optimal operating reserve. It would make good business sense to earn interest (e.g., simple Treasury securities) that would be put back into operations to offset resources needed to cover costs, and thus reduce the need for fee increases.
- Maximizing cost efficiency and transparency focuses on our responsibility as good financial stewards. Given the trust Congress and our stakeholders place in us with fee-setting authority and having an operating reserve, we need to demonstrate that we are taking all steps possible to have a cost-efficient organization.

## Objective 5: Establish Satellite Offices and a Regional Presence

### Initiatives to Achieve Management Goal, Objective 5

- A. Finalize permanent presence of satellite offices
- B. Further develop regional cooperative opportunities

The AIA requires the USPTO to establish three or more satellite offices (subject to available funds). The purpose of these satellite offices is to increase outreach activities, enhance employee retention, improve recruiting, decrease the application backlog, and improve examination quality. In July 2012, the USPTO opened the first satellite office in Detroit. We also identified the three other locations to be Dallas, Denver and Silicon Valley. While steps were taken to establish a preliminary presence in these three locations, FY 2013 budget constraints have delayed establishment of our permanent presence.

In October 2012, the USPTO announced an agreement between the DOC and Cornell University that will promote growth for American businesses and entrepreneurs in the New York metropolitan region.



Picture - Cornell University

- We are committed to finalizing the permanent presence of the three satellite offices in Dallas, Denver and Silicon Valley. We will continue monitoring fee collections and take steps to move forward at the earliest responsible time.
- We will also further develop regional cooperative opportunities, similar to the one established with Cornell University in New York.



# Strategic Planning Development

**T**he USPTO launched a collaborative process to formulate this new plan, which consisted of:

## Organizational Assessment

- We conducted an environmental scan and assessment of our strengths, weaknesses, opportunities and threats (SWOT analysis), including a risk assessment, under the auspices of our Deputies Council and involving representatives from all parts of the USPTO.

## Strategy Development

The information gathered from the organizational assessment led to the following results:

- Executives validated and updated the USPTO mission, vision and goals that drove the strategic planning process.
- All the business units held their own sessions to develop objectives and initiatives. These were reviewed and validated by the Deputies Council and then the Management Council.
- Performance indicators were identified for each initiative.

## Alignment with Department of Commerce Strategic Plan

- The USPTO's strategic goals are directly aligned to the Department's Strategic Objective for the USPTO.

## Budget and Performance Integration

- The USPTO *2014-2018 Strategic Plan* and the FY 2015 President's Budget [will be] in alignment.
- Performance accountability cascades from the strategic plan to the yearly performance agreements between the Secretary of Commerce and the Commissioners for Patent and Trademarks, respectively, and to the Performance Appraisal Plans of senior executives, office directors, managers and supervisors.
- The Balanced Scorecard included with this plan aligns USPTO goals and objectives with the associated performance indicators that will provide meaningful information on the status and performance of every initiative in this plan.

## Evaluations

- Consistent and timely program evaluation is critical to making informed decisions based on analysis of how the USPTO is carrying out its activities to examine patent and trademark applications, to guide international IP policy, and to deliver IP information.
- Recently completed research, reports and evaluations were reviewed and taken into consideration in the development of this plan. Examples include a successful six-month pilot project held during 2012 of patent managers teleworking full-time, and a review of statistical information on the use of patent interview practice that verifiably and measurably improves quality, while saving time and money, and reduces misunderstandings and rework.
- Initiatives identified in this plan may be tested on a pilot basis and subjected to evaluation to ensure that the USPTO successfully implements changes to patent laws and rules, makes changes to internal processes that provide benefits and increased efficiency, and makes sound investment decisions. Evaluation plans will incorporate, where appropriate, measurable objectives, critical measures of success, baseline data, and conditions for full implementation.
- Under the AIA, the USPTO is required to conduct a study on how the Act was implemented as well as other aspects of the Federal Government's patent policies and practices, including their effect on innovation, competitiveness in the U.S., and

access to capital for small business investment. Within four years of enactment of the AIA, i.e., by September 16, 2015, the USPTO must report to Congress on the results of this study, including any recommendations for changing patent laws and regulations.

## Consultation Process:

- A draft USPTO *2014-2018 Strategic Plan* was posted on the USPTO Web site on [October 8, 2013] and comments were solicited from employees and stakeholders, as well as the general public. A dedicated e-mail address was used for the purpose of obtaining comments (*strategicplan@uspto.gov*).
- [A public forum was held on XXXXX, and an employee forum on XXXXX to solicit comments on the proposed draft strategic plan.]
- A draft strategic plan was sent to the Patent and Trademark Public Advisory Committees for review and comment.
- The proposed strategic plan was shared with the DOC, OMB and Congress.

## Communications

- In conjunction with the development of the strategic plan, the USPTO is committed to making execution of the strategic plan an express responsibility of USPTO executives, with monitoring implementation of the plan, and keeping employees, stakeholders, and the public informed of progress. The USPTO Web site and the Data Visualization Center is a key component of this communications commitment.

(continued)





**United States Patent and Trademark Office  
BALANCED SCORECARD**

Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL I: OPTIMIZE PATENT QUALITY AND TIMELINESS</b>	<b>1. Refine Optimal Patent Pendency</b>	A. Work with stakeholders to refine long-term pendency goals, while considering requirements of the intellectual property (IP) community	1) Gather stakeholder input on optimal pendency levels before beginning the biennial fee review
		B. Continue to refine patent pendency metrics throughout the examination process and provide increased transparency of those metrics	1) Refine the number of metrics provided to patent stakeholders
	<b>2. Increase Efficiencies and Patent Examination Capacity to Align with the Optimal Patent Pendency</b>	A. Hire/retain a nationwide workforce to meet pendency targets	1) Meet annual target for number of patent examiners hired, including the number of IP experienced hires 2) Maintain a patent examiner attrition rate that is consistent with maintaining pendency and production targets
		B. Develop and train an adaptable workforce to respond to emerging technologies, Office priorities and the evolution of law	1) Identify nature and extent of training courses provided, and make changes as needed. 2) Increase the number of patent examiners that can examine across a wider range of technology (generalists)
		C. Enhance compact prosecution initiatives	1) Improve performance in the Quality Index Reporting (QIR) metric, which includes a series of measures which reflect efficient prosecution
		D. Offer patent application prosecution options	1) Increase applicant participation rate in available prosecution options
	<b>3. Increase International Cooperation and Work Sharing</b>	A. Fully implement Cooperative Patent Classification (CPC)	1) Transition the USPTO patent examination Corps to CPC system and relegate the United States Patent Classification system (USPC) into a static art collection
		B. Leverage the Patent Cooperation Treaty (PCT) to effectively use the work completed at the international stage in order to reduce the duplication of effort at the national stage	1) Improve our timeliness in all aspects of processing international applications under the PCT and national stage applications under 35 U.S.C. 371

*(continued)*

United States Patent and Trademark Office BALANCED SCORECARD (continued)			
Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL I: OPTIMIZE PATENT QUALITY AND TIMELINESS</b>	<b>3. Increase International Cooperation and Work Sharing</b>	C. Maximize the use of the Patent Prosecution Highway (PPH) to increase sharing and re-use of information between USPTO and its partner offices	1) Increase the number PPH petitions 2) Improve pendency in PPH applications 3) Decrease the number of unnecessary office actions in PPH applications
		D. Implement the Global Dossier, which will improve examiner and external stakeholder access to work products of other IP offices to exploit the efficiencies that sharing search and examination results will provide	1) Provide internal and external stakeholders with access to IP5 Dossier 2) Implement the initial Cross-Filing service of Global Dossier
	<b>4. Continue to Enhance Patent Quality</b>	A. Evaluate and refine the measurement of patent quality data	1) Continue to work with stakeholders to refine and improve the Patent Quality Composite measure 2) Establish new targets for FY 2016-FY 2018
		B. Maximize usage of patent quality data	1) Meet or exceed the annual Quality Index score 2) Provide patent examiner level feedback on quality data to the patent examination Corps 3) Provide data-based metrics at the patent examiner level to the entire Patent Examination Corps
		C. Evaluate effectiveness of changes to the count system and performance appraisal plans; make additional modifications as needed	1) Improve compact prosecution metrics 2) Increase production metrics 3) Meet or exceed the annual Quality Index score
		D. Continually improve and provide timely technical and legal training	1) Increase number of training courses provided 2) Increase number of examiners receiving training 3) Meet or exceed the annual Quality Index score

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**United States Patent and Trademark Office  
BALANCED SCORECARD (continued)**

Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL I: OPTIMIZE PATENT QUALITY AND TIMELINESS</b>	<b>5. Ensure Optimal Information Technology (IT) Service Delivery to All Users</b>	A. Stabilize the Patent Application Location Monitoring (PALM) and other legacy IT systems	1) Reduce PALM system downtime 2) Improve legacy system responsiveness 3) Achieve the targeted rate of implementing requirements (burn-down rate)
		B. Redesign and re-architect current patent IT systems to provide end-to-end electronic processing	1) Achieve the targeted rate of implementing requirements (burn-down rate) 2) Establish a next generation system that is independently sustainable of legacy systems
		C. Increase the acceptance, creation and publication of standardized, structured, and searchable patent data and documents	1) Increase public availability of bulk patent data 2) Establish uniform structured text tagging standards 3) Achieve the targeted rate of implementing requirements (burn-down rate) 4) Deploy a pilot graphical user interface for external users to file using the structured text tagging standards
		D. Upgrade search systems	1) Achieve the targeted rate of implementing requirements (burn-down rate) 2) Deploy a new, single graphical user interface for search
		E. Identify IT opportunities with other IP offices to invoke work sharing efficiencies	1) Continue to work with stakeholders to refine and improve work sharing opportunities 2) Provide access to international applications via a shared and secure channel
	<b>6. Continue and Enhance Stakeholder and Public Outreach</b>	A. Expand stakeholder awareness of the various support resources for users	1) Increase number of new training modules and videos related to USPTO practices and policies 2) Track the number of users of the support services
		B. Continue facilitating the growth of the patent pro bono program	1) Increase number of regional programs added until full coverage throughout the United States
		C. Expand technology-specific and topic-specific partnerships	1) Increase number of topic-specific partnerships 2) Increase number of technology-specific partnerships
		D. Expand outreach related to CPC	1) Increase number of CPC outreach efforts
		E. Increase awareness and transparency of patent information, and patent application and ownership information	1) Increase availability of patent assignment/ownership information
		F. Engage stakeholders to advance the implementation of the Leahy-Smith America Invents Act (AIA) and explore opportunities for further reforms by the Office	1) Provide opportunities for stakeholder engagement

*(continued)*

United States Patent and Trademark Office BALANCED SCORECARD (continued)			
Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL I:</b> OPTIMIZE PATENT QUALITY AND TIMELINESS	<b>7. Maintain the Patent Trial and Appeal Board's (PTAB) Ability to Provide Timely and High Quality Decisions</b>	A. Define optimal pendencies for PTAB proceedings	1) Meet statutory deadlines for the time from preliminary response to decision on petition for AIA proceedings 2) Meet statutory deadlines for the time from trial institution to termination for AIA proceedings 3) Maintain the time from jurisdiction passing to the Board to decision on re-examination proceedings (handle with special dispatch) 4) Decrease the time from jurisdiction passing to the Board to decision on regular ex parte appeals
		B. Hire/retain an adaptable nationwide PTAB workforce, including management staff, to meet pendency and quality targets	1) Implement recently approved organizational realignment 2) Recruit highly qualified candidates to achieve established hiring goals 3) Conduct an attrition analysis, including time at the Board and reason for departure (e.g., retirement, resignation, removal, etc.) 4) Establish optimal "Target" levels for each satellite office
		C. Develop an automated tool for centralizing the collection, retrieval, and sharing of operational data	1) Work in partnership with CIO to develop requirements 2) Work in partnership with CIO to develop timeline with milestones and progress updates
		D. Ensure consistency in PTAB decisions	1) Conduct subsequent analysis and review of decisions in AIA proceedings 2) Increase the number of PTAB decisions considered for Precedential and Informative designation
<b>GOAL II:</b> OPTIMIZE TRADEMARK QUALITY AND TIMELINESS	<b>1. Maintain Trademark First Action Pendency on Average Between 2.5-3.5 Months with 12 Months Final Pendency</b>	A. Align examination capacity with incoming workloads	1) Maintain Average First action pendency 2) Maintain Average Disposal pendency excluding suspended and inter partes cases
		B. Continue to define and validate optimal pendencies	1) Reduce process time through process and IT improvements 2) Review process for opportunities to improve process times
		C. Work with stakeholders to develop long-term pendency goals that increase examination efficiency, maintain an optimal pendency level, and meet the expectations of the IP community	1) Report current and estimated pendency for each application type 2) Continue to meet with stakeholder groups on a regular basis to gather feedback and input

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**United States Patent and Trademark Office  
BALANCED SCORECARD (continued)**

Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL II: OPTIMIZE TRADEMARK QUALITY AND TIMELINESS</b>	<b>2. Maintain High Trademark Quality</b>	A. Continually maintain and improve quality measurements by: continually evaluating examination quality; providing targeted training to address quality issues; and providing legal training and education	1) Improve the Quality of First Action 2) Improve the Quality of Final Action 3) Improve the Exceptional Office Action rate 4) Continue to issue training materials and exam guides, and to hold legal education programs on targeted issues
		<b>3. Ensure Optimal IT Service Delivery to All Users</b>	A. Modernize IT systems by developing and implementing the Trademark Next Generation (TMNG) IT system to create full electronic workflow, and state-of-the-art IT resources for external and internal users
	B. Continue to provide optimal service on legacy systems to employees and public users		1) Maximize system availability and provide important enhancements
	<b>4. Continue and Enhance Stakeholder and Public Outreach</b>	A. Expand outreach to stakeholders by providing opportunities for interaction and updates on trademark operations and other important issues	1) Increase number of stakeholder outreach programs conducted 2) Increase tutorials and programs offered
			B. Assist in providing access to pro bono trademark legal services through USPTO's law school clinic program
		C. Encourage use of the Federal registration system for trademark owners who are unfamiliar with the application and registration maintenance processes	1) Increase the number of public education/outreach programs conducted
		D. Engage stakeholders to ensure integrity of the register	1) Complete and evaluate Specimen Pilot; discuss findings with stakeholders 2) Solicit input for potential changes to use-based requirements during examination and after registration. 3) Solicit input on potential amendments to identifications of goods and services in Post Registration filings to meet technology changes

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United States Patent and Trademark Office BALANCED SCORECARD (continued)			
Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL II:</b> OPTIMIZE TRADEMARK QUALITY AND TIMELINESS	<b>5. Enhance Operations of the Trademark Trial and Appeal Board (TTAB)</b>	A. Develop consistent pendency measures and reduce overall pendency for appeal and trial cases	1) Improve or increase number of quarterly posting of performance measures on Web site 2) Develop proposals for process changes in targeting overall shortening of appeal and trial processes
		B. Enhance quality of TTAB orders and opinions, and contribute to development of the law through issuance of precedential decisions	1) Revise TBMP on at least an annual basis 2) Issue an appropriate number of precedential decisions each year 3) Engage in quality review on a quarterly basis, of orders on motions, contested and uncontested or consented
		C. Expand outreach to stakeholders by providing opportunities for interaction and updates on TTAB operations and other important issues	1) Conduct annual roundtable with stakeholders on a significant aspect of Board practice 2) Maintain e-mail addresses on Web site for receipt of suggestions for process improvement 3) Post a portion of the TBMP twice per year for public comment and suggestions
<b>GOAL III:</b> PROVIDE DOMESTIC AND GLOBAL LEADERSHIP TO IMPROVE INTELLECTUAL PROPERTY POLICY, PROTECTION AND FORCEMENT WORLDWIDE	<b>1. Provide Leadership and Education on IP Policy and Awareness</b>	A. Provide policy formulation and guidance on key IP issues in all fields of IP protection and enforcement	1) Continue development of policy on digital copyright issues 2) Develop and implement the President's Initiatives on High Tech Patents
		B. Engage other U.S. Government Agencies and Congress on legislation that improves the IP system	1) Formulate proposals for IP-related legislation and provide technical advice on draft legislation to ensure that IP-related bills achieve their intended purpose 2) Advise administration and Congress on implementation of the President's legislative recommendations on High-Tech Patents
		C. Lead domestic and international copyright initiatives and policy development for the U.S. Government	1) Engage in public consultation on issues identified in Copyright Green Paper 2) Take a lead role in WIPO discussions of Broadcasters' Rights and library and education exceptions 3) Advise, educate, and assist domestically and internationally with implementation of copyright-related treaties
		D. Provide domestic education outreach at all levels, including through distance learning, knowledge enhancement and capacity building	1) Provide introductory and sophisticated IP education to U.S. businesses, educators and audiences at all levels, including through increased participation in USPTO domestic education and outreach partnerships with other USG agencies 2) Develop survey tools to collect feedback on IP education and outreach 3) Expand reach to educators leading to an increase in IP curriculum downloads 4) Increase the programming that is tailored to underserved and underrepresented audiences

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**United States Patent and Trademark Office  
BALANCED SCORECARD (continued)**

Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL III: PROVIDE DOMESTIC AND GLOBAL LEADERSHIP TO IMPROVE INTELLECTUAL PROPERTY POLICY, PROTECTION AND FORCEMENT WORLDWIDE</b>	<b>1. Provide Leadership and Education on IP Policy and Awareness</b>	E. Leverage technology to increase domestic and international education, training and outreach at all levels	1) Increase the use of DVC or web-based conferencing tools for education and outreach programs 2) Develop and produce new distance learning modules 3) Develop on-line catalog of available distance learning modules
		F. Expand knowledge of domestic and international IP landscape and public impacts of IP through empirical research and fact-finding	1) Conduct original empirical research on the domestic and international IP landscape and publish findings 2) Organize and hold academic and fact-finding conferences 3) Support research by visiting scholars on IP-related topics
	<b>2. Provide Leadership and Education on International Agreements and Policies for Improving the Protection and Enforcement of IP Rights</b>	A. Lead administration efforts at World Intellectual Property Organization (WIPO) and other international fora to improve IP protection and enforcement, and to further efficiency and cooperation in the global IP system	1) Further international work sharing opportunities through MOU agreements with other IP offices 2) Engage additional countries in PPH agreements 3) Develop the Global Dossier 4) Promote patent law harmonization 5) Increase the number of additional countries joining Trademark Trilateral Identification of Goods and Services Project
		B. Prioritize countries of interest for purposes of improved IP protection and enforcement, capacity building, legislative reform, including creation of country/region strategic plans and specific action plans	1) Develop country-specific action plans to monitor each country's progress along following dimensions: <ul style="list-style-type: none"> <li>a. Institutional improvements of IP office administration for advancing IP rights</li> <li>b. Institutional improvements of IP enforcement entities</li> <li>c. Improvements in IP laws and regulations</li> <li>d. Establishment of government-to-government cooperative mechanisms</li> </ul> 2) Provide training and advice to other countries to help them improve IP laws and regulations and build effective IP enforcement capabilities
		C. Provide technical expertise in the negotiation and implementation of bilateral and multilateral agreements that improve IP rights protection and enforcement	1) Provide educational programs to support accession to or implementation of treaties or agreements, such as the Madrid Protocol 2) Lead or support lead agencies in international treaty negotiations 3) Increase the number of bilateral and multinational agreements entered into to improve IP protection and enforcement
		D. Support and advise the administration in leading and negotiating the IP aspects of free trade agreements	1) Provide expert advice in negotiation of trade agreements

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United States Patent and Trademark Office BALANCED SCORECARD (continued)			
Goals	Objectives	Initiatives	Performance Indicators
<b>GOAL III:</b> PROVIDE DOMESTIC AND GLOBAL LEADERSHIP TO IMPROVE INTELLECTUAL PROPERTY POLICY, PROTECTION AND FORCEMENT WORLDWIDE	<b>2. Provide Leadership and Education on International Agreements and Policies for Improving the Protection and Enforcement of IP Rights</b>	E. As appropriate, work jointly with Congress on matters pertaining to international agreements	1) Provide expert advice to Congress on legislation pertaining to international agreements
		F. Work jointly with the administration to improve IP protection and enforcement in China	1) Establish China Resource Center 2) Develop/increase IP enforcement programs aimed at building Chinese enforcement capacity 3) Review and advise on Chinese laws and regulations
<b>MANAGEMENT GOAL:</b> ACHIEVE ORGANIZATIONAL EXCELLENCE	<b>1. Leverage IT Investments to Achieve Business Results</b>	A. Leverage IT to improve internal and external collaboration and information sharing	1) Develop fully electronic dissemination interactions (with modern technologies) 2) Increase web conferencing (WebEx) capabilities for simultaneous events with greater than 1,000 participants
		B. Enhance the internal and external user experience by developing user-driven products, including those accessible in a mobile environment	1) Increase percent of Web site customer satisfaction (FORSEE Survey) 2) Deliver new Web site (Web site Next Generation) 3) Deliver customer transactional portal (MyUSPTO) 4) Implement a mobile environment strategy
		C. Evolve and improve IT infrastructure and services	1) Increase percent of system availability for critical systems 2) Increase percent of virtualized infrastructure (servers, storage) 3) Increase percent of infrastructure using cloud technologies
		D. Continue to provide cost-effective, transparent operations, processes and information	1) Develop interactive portfolio status dashboard
		E. Deliver cost-effective and seamless next generation IT solutions; for example, integrations of Patent End-to-End (PE2E), Trademark Next Generation (TMNG), and Fee Processing Next Generation (FPNG)	1) Provide the Patent Corps a text based system that will generate and leverage text as necessary for advanced functionality 2) Provide a next generation system that operates independently of legacy systems 3) Deliver on-line eCommerce experience such as stored payment accounts 4) Deliver additional internal automated collection and refund process



**United States Patent and Trademark Office  
BALANCED SCORECARD (continued)**

Goals	Objectives	Initiatives	Performance Indicators
<b>MANAGEMENT GOAL: ACHIEVE ORGANIZATIONAL EXCELLENCE</b>	<b>2. Continue to Build and Maintain a Flexible, Diverse, and Engaged Workforce</b>	A. Continue to enhance our telework environment by offering more telework opportunities and developing skill sets specific to leadership in a telework environment	1) Increase training and workshops on effective leadership in a telework environment 2) Define additional opportunities to expand telework participation for employees, managers and executives
		B. Implement programs aimed at enhancing employee engagement, and ensuring the nationwide workforce stays integrated with the corporate culture	1) Increase virtual training and workshop opportunities 2) Increase the employee participation rate in affinity groups and their activities, particularly among hotelers and employees at satellite offices 3) Expand employees' participation in volunteer opportunities through the establishment of an employee volunteer recognition program 4) Baseline telework scores on Employee Viewpoint Survey (EVS) or other engagement indicators for improvement
		C. Promote learning and job opportunities for all levels of employees	1) Increase the number of career development, coaching, and mentoring opportunities offered through IP outreach, education, and career development details 2) Provide education to transitioning employees to enable new skills 3) Implement a new SES development program and/or SES pipeline development opportunities for future SES candidates
		D. Enhance recruitment and hiring efforts to help sustain and develop a highly qualified and diverse workforce including the senior leadership team	1) Increase the percent of new hires who are veterans or persons with disabilities 2) Recruit highly qualified and diverse pools of candidates to achieve established hiring goals 3) Develop marketing and outreach plans for nationwide recruitment
		E. Continue to build collaborative relationships with labor unions and affinity groups	1) Conduct up to four OHR panels for interested affinity groups each fiscal year 2) Expand recognition and training of affinity group leaders 3) Increase joint collaboration initiatives with unions and increase pre-decisional involvement
	<b>3. Enhance Internal and External Relations</b>	A. Improve information and communication channels	1) Increase the number of "fans" signed up to read the USPTO sites and participate in the exchange of ideas via interactive social media tools 2) Provide periodic "open house" or information sessions for employees and the public on USPTO education and outreach programs
		B. Strengthen relationships with Department of Commerce (DOC), the Office of Management and Budget (OMB), other Federal agencies, and Congress	1) Establish at least two new formal or informal collaborations per year with sister DOC agencies and other Federal agencies 2) Provide quarterly reports to Congress on progress toward reaching goals related to education and outreach activities

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United States Patent and Trademark Office BALANCED SCORECARD (continued)			
Goals	Objectives	Initiatives	Performance Indicators
<b>MANAGEMENT GOAL: ACHIEVE ORGANIZATIONAL EXCELLENCE</b>	<b>3. Enhance Internal and External Relations</b>	C. Promote a culture across USPTO of outstanding customer service for both internal and external customers	1) Offer customer service training for all USPTO employees and supervisors 2) Increase the number or percent of employees/supervisors who participated in customer service training 3) Establish USPTO-wide customer service metrics for performance appraisal plans 4) Conduct touch point Agency assessment, develop recommendations, and implement a plan
		D. Streamline stakeholder access to USPTO services and programs	1) Decrease number of access points for customers to access information
		E. Increase stakeholder partnerships and collaborations	1) Establish at least three new formal or informal collaborations with stakeholders per year, including those in satellite office and outreach regions
		F. Support Government-wide efforts to promote Science, Technology, Engineering, and Mathematics (STEM) education initiatives	1) Increase opportunities to highlight USPTO programs that support each of Administration's STEM initiatives 2) Increase the number of individuals and educators reached by IP-related programming
	<b>4. Secure Sustainable Funding to Deliver Value to Fee-Paying Customers and the Public</b>	A. Ensure spending authority to use all fee collections	1) Demonstrate progress toward enacted legislation or other solution
		B. Make the USPTO fee-setting authority permanent	1) Enact legislation by September 17, 2018
		C. Continuously optimize the fee structure	1) Execute the biennial fee-review process in accordance with established time frames
		D. Continue identifying, obtaining and implementing private sector business tools	1) Publish operating reserve policy 2) Achieve annual milestones toward the optimal operating reserve level(s) 3) Evaluate and make policy decision on other business tools
		E. Maximize cost efficiency and transparency	1) Hold quarterly Public sessions with Public Advisory Committees (PPAC and TPAC) 2) Perform an annual review of Activity Based Information to identify opportunities for improvement and inform budget decisions
	<b>5. Establish Satellite Offices and a Regional Presence</b>	A. Finalize permanent presence in satellite office regions	1) Begin construction of the Denver office and assume occupancy 2) Identify location of the Silicon Valley office, complete design and construction of the office, and assume occupancy 3) Begin construction of the Dallas office
		B. Further develop regional cooperative opportunities	1) Increase the number of programs in satellite office and regional cities 2) Increase the number of partnerships or collaborations with entities in satellite and regional cities

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# Glossary of Acronyms

<b>AIA</b>	Leahy-Smith America Invents Act
<b>CPC</b>	Cooperative Patent Classification
<b>DOC</b>	Department of Commerce
<b>FPNG</b>	Fee Processing Next Generation
<b>IP</b>	Intellectual Property
<b>IP5</b>	The Five IP Offices
<b>IT</b>	Information Technology
<b>OMB</b>	Office of Management and Budget
<b>PALM</b>	Patent Application Locating Monitoring
<b>PCT</b>	Patent Cooperation Treaty
<b>PE2E</b>	Patents End-to-End
<b>PPH</b>	Patent Prosecution Highway
<b>PTAB</b>	Patent Trial and Appeal Board
<b>RCEs</b>	Requests for Continued Examination
<b>STEM</b>	Science, Technology, Engineering and Mathematics
<b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threats
<b>TMNG</b>	Trademark Next Generation
<b>TTAB</b>	Trademark Trial and Appeal Board
<b>U.S.</b>	United States
<b>USPTO</b>	United States Patent and Trademark Office
<b>USTR</b>	United States Trade Representative
<b>WIPO</b>	World Intellectual Property Organization



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