

**UNITED STATES
PATENT AND TRADEMARK OFFICE**



Patent Financial Status Update

Sean Mildrew, Deputy Chief Financial Officer

August 5, 2021

Patent Public Advisory Committee quarterly meeting

UNITED STATES
PATENT AND TRADEMARK OFFICE



Agenda

- FY 2021 financial status
- Next steps for the budget
 - FY 2022 budget
 - FY 2023 budget formulation

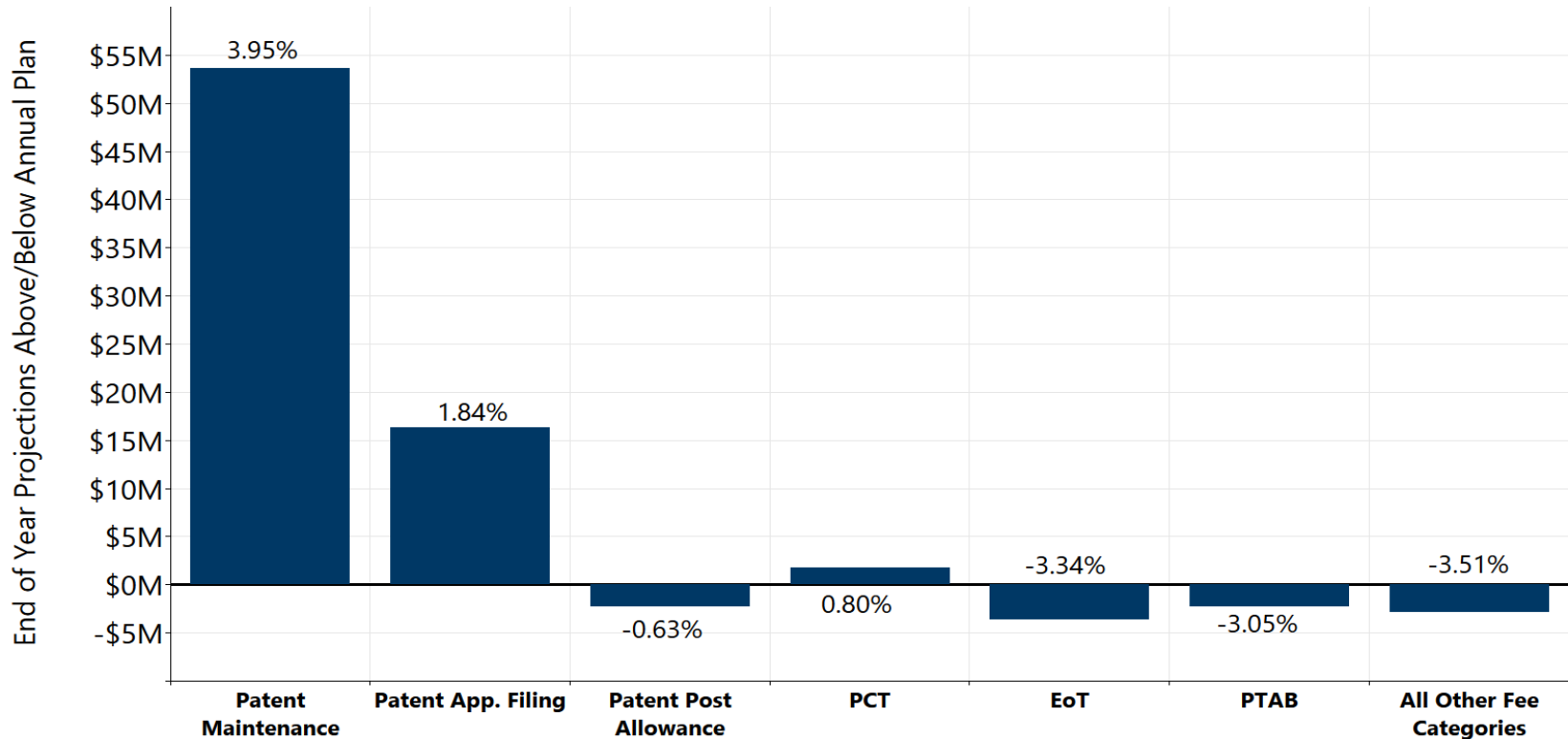
FY 2021 status: financial outlook

	<i>\$ in millions</i>	USPTO	Patents
Appropriated Fee Collections		\$3,695.3	\$3,250.7
Preliminary Adjustment for End of Year Fee Collections		(131.1)	(152.3)
FY 2021 Estimated Fee Collections		\$3,564.2	\$3,098.4
Carryover and other income (less OIG transfer)		\$563.2	\$440.6
Patent and Trademark Fee Reserve Fund Reprogramming		231.9	215.5
Total FY 2021 Projected Budget Authority		\$4,359.3	\$3,754.5
Total Projected End of Year Spending		(3,847.8)	(3,423.8)
Projected End of Year Operating Reserve		\$511.5	\$330.7

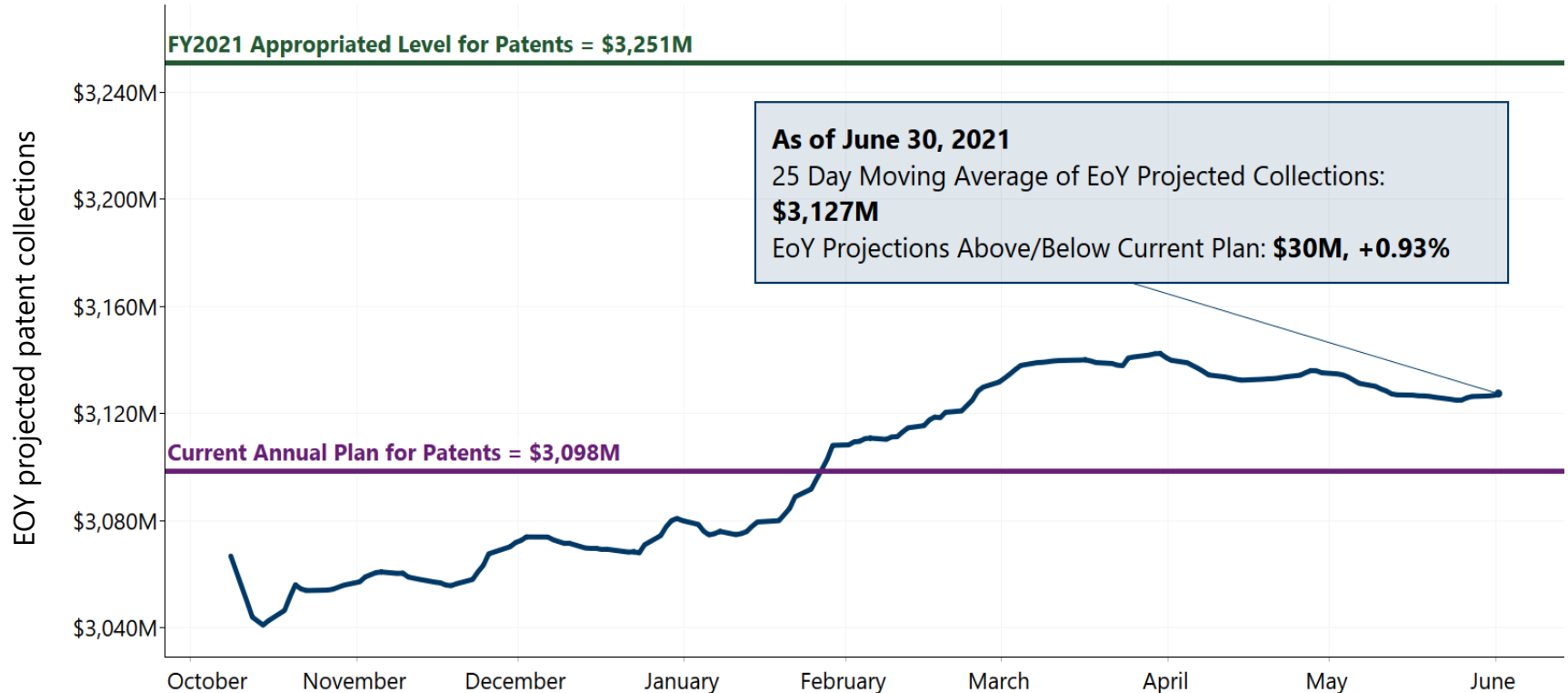
- Spending
 - Patent spending is currently planned at \$3.75B .
- Operating Reserve
 - The Patent operating reserve is projected at \$330.7M



FY 2021 status: current patent fee revenue projections vs annual plan

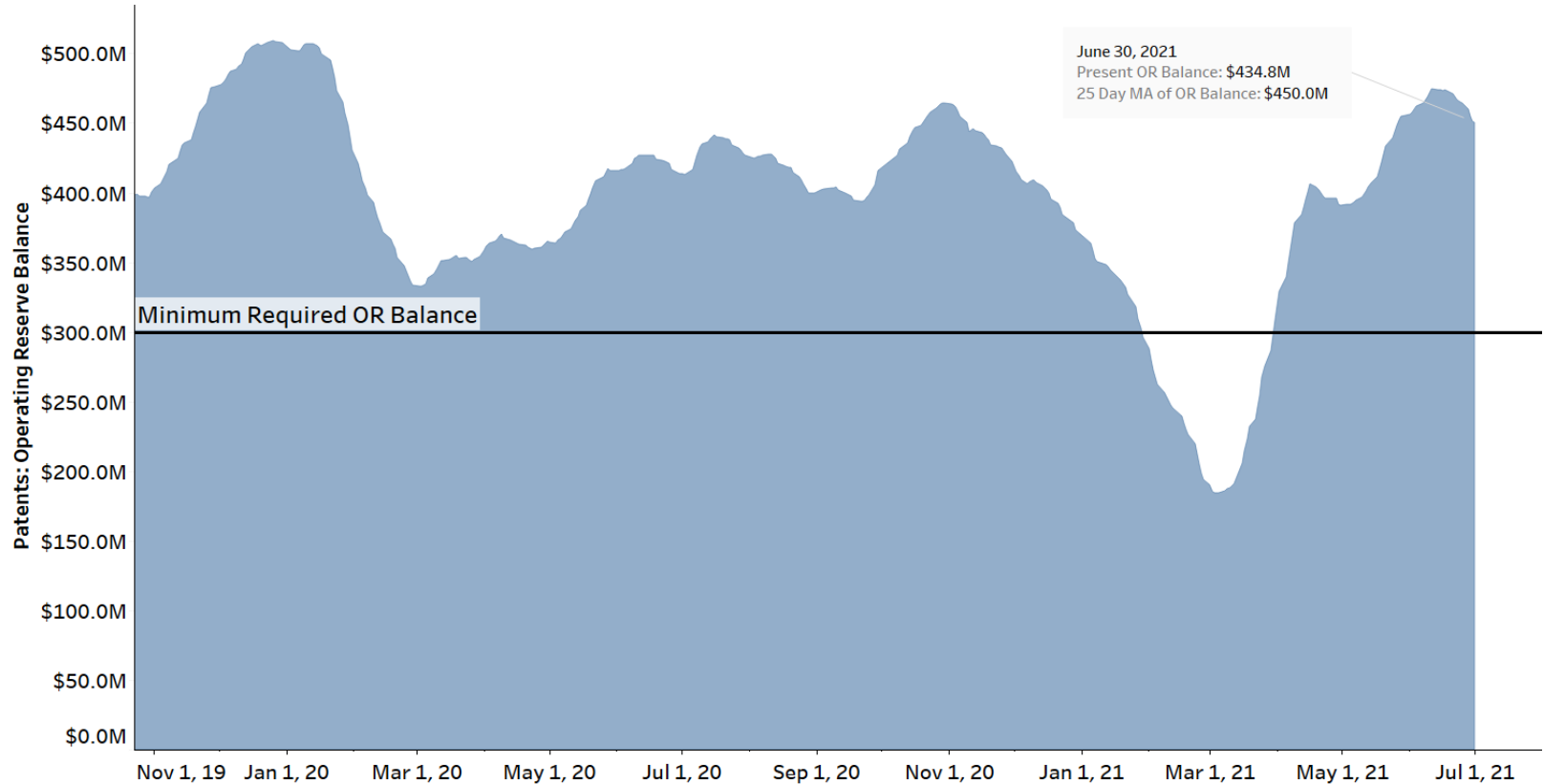


FY 2021 status: end of year projected fee collections – moving average



FY 2021 status: operating reserve balance

25 Day moving average of Patent's operating reserve balance



Optimal Patents Operating Reserve Balance: \$877.4 million.

Next steps for the budget

- FY 2022 budget

- The House and Senate Commerce, Justice, and Science subcommittee appropriation hearings occurred on May 6, 2021 and May 26, 2021, respectively.
 - Both hearings focused on other bureaus within the Department of Commerce (DOC).
- The appropriation request of \$3.994 billion is based on projected spending requirements, not fee collections. Fee collections are estimated at \$4.058 billion.
 - Fees collected in excess of the appropriated level will be deposited into the Patent and Trademark Fee Reserve Fund (PTFRF) and will be available to the USPTO for use through an approved reprogramming request
 - This is a change from prior requests in which the appropriation was based on fee collections.
 - The House CJS subcommittee hearing occurred on July 12 and appropriated the USPTO at the spending requirements level.

Next steps for the budget

- FY 2023 budget formulation
 - The USPTO is finalizing fee estimates and requirements for the FY 2023 budget submission to the White House Office of Management and Budget (OMB).
 - We will provide the draft document to PACs and DOC for review in August 2021.
 - The budget is tentatively scheduled to be submitted to OMB on September 13, 2021.
 - Public release is expected in early February 2022.



Thank you!

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