

TRADEMARK PUBLIC ADVISORY COMMITTEE  
Tuesday, October 16, 2001

This matter came on for hearing at  
the Hyatt Hotel, Arlington, Virginia, commencing  
at 1:30 p.m., before Patricia A. Edwards,  
Verbatim Reporter.

## P R O C E E D I N G S

1  
2 MR. ALEXANDER: Good afternoon,  
3 everybody. I'm Miles Alexander. I'm chair of  
4 the Trademark Public Advisory Committee. It  
5 is a pleasure to have all of you here. I  
6 think we have a good representation of the  
7 public, but for the assistance of the Court  
8 Reporter, I would like to go around the room  
9 and have everyone give their names and their  
10 positions. And I would also like to urge you,  
11 when you speak, come to the microphone so the  
12 court reporter can type both your name and  
13 hear what you have to say.

14 Bob, we'll start with you.

15 MR. ANDERSON: Robert Anderson,  
16 Staffing Commissioner for Trademark  
17 Operations.

18 MS. FRANCIS: Mary Francis, Trademark  
19 Trial and Appeal Board.

20 JUDGE SAMS: David Sams, Chief  
21 Administrative Trademark Judge for the

1 Trademark Trial and Appeal Board.

2 MS. LEE: Mary Lee, Administrative  
3 Staff and Corps Management.

4 MR. CRAWFORD: Clarence Crawford,  
5 Chief Financial Officer.

6 MS. MICHALKEWICZ: Francis  
7 Michalkewicz, Office of Corporate Finance,  
8 USPTO.

9 MR. STERN: Ronald Stern, Patent  
10 Office Professional Association.

11 MR. NICHOLSON: Joe Nicholson. I'm  
12 with Kenyon & Kenyon in New York.

13 MR. STIMSON: David Stimson, Eastman  
14 Kodak Company, a member of the Trademark  
15 Public Advisory Committee.

16 MR. PIRKEY: Lynn Pirkey with the  
17 Austin Office of Fulbright & Jaworski.

18 MS. CHASSER: Anne Chasser,  
19 Commissioner for Trademarks, USPTO.

20 MR. ALEXANDER: Miles Alexander,  
21 Trademark Public Advisory Committee.

1           MR. GODICI: I'm Nick Godici, acting  
2 director of USPTO.

3           MS. KORNIWICZ: Helen Korniewicz,  
4 Chevron Texaco Corporation, Trademark Public  
5 Advisory Committee.

6           MR. ORESKY: Larry Oresky, corporate  
7 delegate to T-PAC.

8           MR. FRIEDMAN: Howard Friedman.

9           MS. CADE: Virginia Cade, area vice  
10 president and treasurer, delegate to T-PAC,  
11 243.

12           MR. ALEXANDER: Thank everyone again  
13 for being here. These are obviously dire  
14 times for our country. It is reflected in our  
15 economy to some extent, and, of course, the  
16 economy will also affect the operations budget  
17 and future planning of the USPTO.

18           We are going to be privileged today to  
19 hear from some of our leading public servants  
20 and learn in detail some of the specific plans  
21 for the performance and responses to questions

1 of members of the  
2 T-PAC that have been posed to the U.S. Patent  
3 and Trademark Office during the past year.

4 If anybody has any questions during  
5 any of the presentations, feel free to raise  
6 your hand, and if it's an appropriate time for  
7 interruption, I will certainly recognize you  
8 and have your questions posed at that time.

9 I'd like to start the program with  
10 hearing from our distinguished director.

11 MR. GODICI: Thank you very much,  
12 Miles. I'd like to briefly touch on about  
13 three or four topics, just kind of an update  
14 on issues before we get into more substance by  
15 some of the other folks here from the USPTO.

16 I'd like to touch upon some of the  
17 security measures that the USPTO has  
18 undertaken since the events of September 11.  
19 We have taken very seriously the situation  
20 with respect to events surrounding September  
21 11 and attempted to do everything we possibly

1 can to ensure that our employees are in a safe  
2 environment. We've actually been able to  
3 secure some additional funding to allow us to  
4 upgrade and expand our security guard service  
5 so that we now have guards stationed in many  
6 of the buildings that are fully -- all of the  
7 buildings that are fully occupied by the  
8 USPTO.

9 We also have roaming guards that are  
10 assigned to each and every one of the  
11 buildings that we have any PTO employees.  
12 We've secured equipment or are about to secure  
13 equipment to allow us to scan incoming  
14 packages in our mail room. And we've taken  
15 other additional steps to beef up the security  
16 measures that we have here at the PTO.

17 We've also taken some special steps to  
18 accommodate some of the people that really  
19 suffered during the disaster of September 11,  
20 particularly one law firm that was housed in  
21 the World Trade Center, and we've been working

1 very closely with that law firm to reconstruct  
2 files and restart time periods and accommodate  
3 their needs, as well as the postal service  
4 interruptions that occurred in Manhattan  
5 during that time period. We've published  
6 notices on our web site with respect to  
7 accommodations we're making with respect to  
8 that incident.

9           Just let me reiterate that security  
10 and making sure that our employees are in a  
11 safe environment is something that Clarence  
12 Crawford and his people that work in our  
13 security detail are on top of, taking the  
14 necessary steps to make sure everything is  
15 okay there.

16           An update with respect to the  
17 hopefully incoming new Under Secretary of  
18 Commerce for Intellectual Property, Jim Rogan  
19 (ph). Many of you know that former  
20 Congressman Rogan from California has been  
21 nominated by the President for the position of

1 Under Secretary of Commerce. The next step in  
2 the process is confirmation by the Senate, and  
3 we await his scheduling of a confirmation  
4 hearing and then hopefully confirmation in the  
5 not too distant future.

6 I would also like to mention a third  
7 topic. We were very fortunate to have three  
8 Presidential Rank Award winners this year at  
9 the USPTO. Bob Anderson, our Deputy  
10 Commissioner for Trademark Operations,  
11 received the highest award, distinguished  
12 executive, and was actually presented that  
13 award in a ceremony that was attended by the  
14 President and most all of the cabinet just  
15 this week. So congratulations to Bob. And  
16 our other two award winners for meritorious  
17 executives were Kaz Kazenske and Steve Kunin  
18 that are both in the patent side.

19 Let me finish up by hitting a new  
20 topic, and that's our space at Carlisle, an  
21 update with respect to where we stand there.

1 The process is alive and well. We are moving  
2 forward with our plans to consolidate our  
3 space in Carlisle in Alexandria. Actually,  
4 the contractor Alcor has begun moving the  
5 utilities in preparation in earnest for  
6 construction. Alcor, the developer, will be  
7 issuing a public bond offering probably within  
8 the next couple of weeks or so.

9 That offering should be out on the  
10 street for about three weeks, and we believe  
11 that, that offering will close and we will  
12 actually go to closing with the developer by  
13 the end of November, and then we will actually  
14 see construction in earnest.

15 So the process is well on the way.  
16 Things are on schedule. We look for an  
17 initial occupancy of the new buildings at the  
18 end of calendar year '03, and then moving in  
19 will commence at the end of calendar year '03  
20 and will continue through 2005. It's going to  
21 take us about 18 months to move into these

1 buildings because they are being delivered in  
2 sequence and they're not all being built at  
3 the same time.

4           So we will have a transition period  
5 between Crystal City and Carlisle that will  
6 last about 15 or 16 months. So I just wanted  
7 to update everyone on that good news. We will  
8 have tightened security with the new space at  
9 Carlisle. We have taken into consideration  
10 some of the lessons learned, so to speak,  
11 along the way, and have designed the new space  
12 and have gotten input from experts on how to  
13 design the new space and how it all will be  
14 taken into consideration some of the security  
15 issues that need to be taken into  
16 consideration.

17           One of the major ones is the parking  
18 garage situation after Oklahoma City. I think  
19 there are some new guidelines with respect to  
20 security issues measures, parking garages in  
21 government facilities, and our parking garages

1 at Carlisle will be separated from the  
2 building where employees will be occupying the  
3 building. We have addressed many of the  
4 concerns and issues with respect to our move  
5 to Carlisle and funding our move to Carlisle.  
6 And we've scrubbed our budget, scrubbed our  
7 spending with respect to the new facility and  
8 the build-out of the facility and the  
9 equipment, furniture, so on and so forth, that  
10 we will have to purchase to move into the new  
11 facility and taking an approach that's one of  
12 being sensible, what we actually need and what  
13 we can use from our current facility in terms  
14 of moving it down there.

15 It has been and will be reflected in  
16 the budget. Other than that, those are the  
17 topics I wanted to comment on. If there are  
18 any questions, as Miles said, we will try to  
19 address those. David.

20 MR. STIMSON: Thank you. David  
21 Stimson. Nick, just to follow up on what you

1 last said. You touched on a little on what  
2 you or somebody else could expand. I did read  
3 some reports in the past month or so about  
4 criticism of the Tax Payers' Union about cost  
5 of furniture. And you did say you'd scrubbed  
6 the budget. Do you have any comments for the  
7 bases for those complaints of whether or not  
8 they were based on misunderstandings? Just a  
9 little more amplification of that.

10 MR. GODICI: To be perfectly honest  
11 with you, I think some of it was some  
12 misunderstanding. I think that the original  
13 plans and the original documents that were put  
14 forward -- I've talked about a worst-case  
15 scenario. If you're writing things out for  
16 Congress or if you're laying things out to be  
17 projected, you might look at situations that  
18 are the worst-case scenarios in terms of what  
19 if we had to buy A, B, C and D.

20 I think, in reality, number one, we  
21 haven't bought anything yet. We haven't

1 actually purchased these things. And in a  
2 normal review process, in a normal  
3 decision-making process amongst the executive  
4 committee, we've looked at our actual needs,  
5 furniture being an example. What do we have  
6 in Crystal City that's good that we can take  
7 us, that meets ADA requirements and so on and  
8 so forth.

9           And we've done that analysis, and we  
10 plan to shop with the help of John Bernard and  
11 so on, to identify what we have that's  
12 movable, what we have that's not movable in  
13 terms of furniture, and, of course, we'll have  
14 to buy new that we don't have and then what  
15 other equipment and furniture do we need there  
16 that we just don't have in Crystal City but we  
17 need them.

18           Bottom line is, we're not here to take  
19 the tactic to buy every stick of new furniture  
20 and move into a brand new -- brand new  
21 furniture in. We're going to do it on a needs

1 basis. That's the analysis I have.

2 MR. ALEXANDER: I think David is also  
3 driving at, is somebody monitoring the  
4 furniture just to make sure there's not an  
5 excessive amount? You hear about the \$300.00  
6 screwdriver that somebody purchased or that  
7 type of thing. You'd have an audit committee  
8 or somebody to make sure nothing gets through  
9 that's -- is subject to criticism.

10 MR. GODICI: Well, I think we're kind  
11 of under a microscope most of the time. Maybe  
12 you guys are the audit committee. I don't  
13 know. Obviously, you hear those stories and  
14 someone goes through a document just thinking  
15 they might pick out something in terms of a  
16 cost item and so on and so forth.

17 I think all of us at the PTO -- you  
18 can ask me and you can ask Clarence, the fact  
19 that we are being funded and we feel that we  
20 are spending your money, we have been  
21 hopefully and will continue to be as fiscally

1 responsible in spending your money as we  
2 possibly can. And we're not going to buy any  
3 \$400.00 hammers.

4 MR. ALEXANDER: Thank you. Any other  
5 questions? All right. Thank you. We really  
6 appreciate that. We're going to change the  
7 agenda for those of you who are planning on  
8 being here for a particular speaker. We're  
9 going to have Anne Chasser speak next, and she  
10 will be followed by David Sams, and then  
11 Clarence Crawford. Anne, would you proceed?

12 MS. CHASSER: What I'd like to do is  
13 give you a quick overview of where we stand in  
14 '01, the fiscal year we just ended September  
15 30th, and then talk briefly about the  
16 initiatives and the challenges that we face in  
17 our next fiscal year.

18 We made significant progress towards  
19 our goals in fiscal year 2001 through the  
20 completion of predefined performance  
21 initiatives which we shared with the advisory

1 committee last year at this time and gave a  
2 midyear update when we last met in May.

3 As many of you know, this year we have  
4 experienced an unexpected decline in the level  
5 of trademark filings that we received in this  
6 office. You may recall that our initial  
7 budget projections for this year were  
8 \$400,000.00. Our new classes of trademark  
9 applications at the end of the year, we  
10 received close to 297,000.00. Bob Anderson,  
11 the deputy director of trademark operations,  
12 will be going in detail on the numbers through  
13 our organization.

14 We, in the trademark organization,  
15 worked on five major goals this past year, and  
16 I'd like to just briefly update you on where  
17 we are in each of those areas. Our number one  
18 of the five goals is to enhance the quality of  
19 our products and services. This year we  
20 undertook a new quality measure to produce a  
21 more meaningful quality result. Lynne

1 Beresford, our deputy director for trademark  
2 policy, will again be going in detail with the  
3 Advisory Committee as to what we conducted  
4 this year on our quality review and also our  
5 initiatives in the coming year with regard to  
6 improving quality.

7 We also worked on our focus on the  
8 consistency of examination, in which we  
9 focused on prevention of errors rather than we  
10 relying on detection of errors. We offered  
11 our 10 distinct training classes, which were  
12 developed and administered in fiscal year  
13 2001, to more than 400 examiners and technical  
14 staff members.

15 In addition, we worked on the  
16 trademark manual to reflect the current  
17 development in the changes of law. We issued  
18 new extensive revisions to our ID manual for  
19 goods and services, and that ID manual is now  
20 available electronically and searchable on our  
21 web site. Additionally, we made the revisions

1 to the Trademark Manual for Examining  
2 Procedure, and we expect that the new  
3 trademark manual will be available at the  
4 beginning of the new year.

5 With regard to the quality of our  
6 services, I'm happy to report that our  
7 customer satisfaction has increased this past  
8 year by five percentage points. Mary Lee, our  
9 director of the office of quality and  
10 training, will be giving you a more detailed  
11 summary of the results of our customer  
12 satisfaction survey. We did receive high  
13 marks to quality improvement initiatives for  
14 shorter cycle time and outstanding customer  
15 service. There are areas, of course, that we  
16 will be focusing on for improvement in the  
17 coming year.

18 With regard to our trademark  
19 assistance center, we have shown significant  
20 improvement in that area as well. Our  
21 customer assistance center is our one-stop

1 shop for customer service for our customers.  
2 One of the measures we used is the trademark  
3 assistance center service level, and that is a  
4 measure that indicates percentage of calls  
5 responded to within 20 seconds. This year we  
6 saw a significant improvement from a 23  
7 percent level of service in 2000 to a 69  
8 percent improvement over this past fiscal  
9 year, which translates to about 180 percent  
10 improvement in that area.

11 Another area, minimizing our  
12 processing time, our third goal, as you know,  
13 we have been focusing the past several years  
14 on our timeliness in processing issues. Due in  
15 large part to many factors, we have seen a  
16 significant improvement in those areas. The  
17 trademark level of filing this year, while it  
18 is about 20 percent lower than last year's  
19 filing, it actually is the second highest  
20 level of trademark filings in the history of  
21 the office.

1           First action pendency has been reduced  
2 to the lowest level since 1988. This year, we  
3 went from a high for first action pendency of  
4 6.2 months to ending the year at 2.7 months  
5 for a first action pendency. We've also  
6 reduced significantly the time in the post-  
7 registration pendency which for processing  
8 affidavits for continued use dropped by 85  
9 percent from a high of 99 days at the start of  
10 the fiscal year to 15 days by the end of the  
11 fiscal year. Pendency for renewal of  
12 registration fell from 64 percent -- fell 64  
13 percent, I'm sorry, from a high of 225 days to  
14 81 days by the end of the fiscal year.

15           I'm happy to report that also examiner  
16 production increased this year by close to --  
17 while the final figures are not in for this  
18 fiscal year, and for the public record, I  
19 don't want to give an incorrect number, but it  
20 has increased significantly, and that largely  
21 is the result of a more experienced examining

1 corps as well as incentives through our  
2 production awards system that we implemented  
3 this past year.

4 Finally, we've increased incentives  
5 for improved customer service based on the  
6 success of the examiner production incentive  
7 award to a group incentive award for the  
8 technical support staff that directly supports  
9 the improvement of customer service time  
10 frame, and certain time frames were  
11 established.

12 Our strategy for achieving our goals  
13 of quality, timeliness and customer service  
14 all focus around e-government initiative in  
15 the trademark operations. I'm happy to report  
16 that, while we're perhaps not moving as  
17 quickly as we like, we have seen improvement  
18 in the usage of our electronic work place by  
19 our customers. This year we ended the year  
20 with an average of 24 percent of new  
21 applications being received through our

1 electronic filing.

2 We also conducted a survey of our top  
3 filers, the top 300 law firms -- top 300,  
4 excuse me, applicants, and we conducted a  
5 survey in March of 2001. The purpose of the  
6 survey was to gain insight on the level of  
7 experience of our top filers with regard to  
8 electronic filing. What we found was that 66  
9 percent of those responding had some  
10 familiarity with our electronic filing system,  
11 and 71 percent had a good or excellent  
12 experience using it. By far, the majority of  
13 respondents, 58 percent, cited that they  
14 believe that their own templates were more  
15 efficient as the single most frequent response  
16 for not filing electronically.

17 As many of you know, we have been  
18 recognized by government agencies, as well as  
19 outside government agencies, for our e-  
20 government initiative. And I'm happy to  
21 report that this year the trademark

1 organization received the technological  
2 leadership award from Government Executive  
3 magazine in October 2000, as well as the  
4 quality. We were runner-up, the only  
5 government agency that was a finalist in the  
6 USA Today quality cup competition in May of  
7 2001. So that has been a very positive move,  
8 that we are recognized by government oversight  
9 organizations for our initiatives in  
10 e-government.

11 Employee satisfaction, our fifth over-  
12 arching goal. I'm happy to report also that  
13 our telecommuting program has been very well  
14 received, not only by our employees and  
15 benefitted the agency, but, again, we were  
16 recognized this past year by the Metropolitan  
17 Washington Counsel government with the 2001  
18 commuter connection telework award, and that  
19 was for our very successful work-at-home  
20 program. More details about the work-at-home  
21 program will follow in Bob Anderson's

1 presentation.

2 We initiated a number of quality of  
3 work life programs this year. We introduced  
4 more flexible work hours, relaxed dress  
5 policy, increased transit subsidy, to name a  
6 few. And we continue to work very closely  
7 with our employees to improve the work life  
8 and balance between work at home for our  
9 employees.

10 Our attrition this past year fell from  
11 13.2 percent last year to a 10 percent  
12 attrition this year. We believe, of course,  
13 that's reflective of the economy, as well as  
14 the Trademark Office being such a great place  
15 to work and meeting the needs of our  
16 employees.

17 Finally, we worked closely to increase  
18 communications with our employees by enhancing  
19 and also, along with our e-government  
20 initiative, by developing an Internet  
21 communication vehicle which is the single

1 source of all the information going on in the  
2 trademark organization. That is available to  
3 all our employees through the web site.

4 So we had a very busy year. You'll  
5 have more details a little later with the  
6 presentation. And I think, in spite of the  
7 fact that there was uncertainty, not only in  
8 the economy, budgetarily, and workload issues,  
9 that we have really achieved quite a bit this  
10 past year in the trademark organization.

11 What I wanted to do now is transition  
12 to 2002 and where we are going in 2002. If  
13 you could just turn the first slide.

14 In our 2002 budget, we plan to be  
15 focusing, again, on quality, timeliness, and  
16 improved customer service. Our initiatives  
17 include -- and e-government will be the means  
18 by which we meet our goals. If you want to  
19 get to the next page.

20 Our quality initiatives in 2002. And,  
21 again, Lynne Beresford, our deputy for

1 quality, will be talking about our initiatives  
2 in the coming year. Our goal is to achieve a  
3 95 percent error-free rate by the end of the  
4 fiscal year.

5 Timeliness, when we submitted the 2002  
6 budget, as you know, we have had quite a  
7 variation in our filing levels this year. And  
8 under our 2002 goal, our original goal for  
9 pendency was three months to first action. I  
10 did mention earlier that by the end of the  
11 fiscal year, we were able to achieve a 2.7  
12 percent pendency to first action, so we're  
13 actually ahead of the curve at this point, and  
14 our goal is to maintain a steady state.

15 Full disposal by the end of this  
16 fiscal year should be at 5.5. And when I talk  
17 about this fiscal year, it's the 2002 fiscal  
18 year. As we have advised the advisory  
19 committee, our over-arching goal for an  
20 electronic work place is to receive 50 percent  
21 of our applications and all available

1 documents -- all subsequent documents that are  
2 available in electronic form at a 50 percent  
3 rate in fiscal year 2002. And we plan to  
4 increase our customer satisfaction rating to  
5 72 percent by the end of the fiscal year.

6 Again, our 2002 budget is based on a  
7 projection of 300,000 classes of applications  
8 to be received this year. We expect to see  
9 312,400 examiner's first actions, and we plan  
10 to register 123,000 classes and 219,000 office  
11 disposals.

12 So, with that broad overview, the  
13 details will be provided then in subsequent  
14 presentations by other members of the  
15 trademark leadership team. Any questions?

16 MR. ALEXANDER: You said 219,000  
17 office disposals. What does office disposal  
18 mean?

19 MS. CHASSER: Abandonments or second  
20 actions.

21 MR. ALEXANDER: And earlier you talked

1 about incentives resulting in improved  
2 production. Do you have a prediction as to  
3 what impact removal of bonuses or some  
4 incentives will have in the coming year?

5 MS. CHASSER: Yes. This year when we  
6 planned our budget, originally we were  
7 planning for about 400,000 classes of  
8 trademark applications. As it turned out and  
9 as we have advised the Advisory Board is that  
10 our filings dropped significantly this past  
11 year.

12 Last year, in the anticipation of  
13 continued increase in activity, we hired  
14 additional examiners and, at that point, we  
15 still didn't have enough in our work force for  
16 the anticipated level of filings that we  
17 received, so we initiated a number of  
18 initiatives to improve incentives for our  
19 examiners to improve production. The program  
20 was very successful, as I mentioned earlier.

21 For this year, with the downturn in

1 the economy, it appears that we have too many  
2 examiners for the workload presently coming  
3 in, so we have initiated a number of programs  
4 in order to take care of that excess capacity,  
5 production capacity, one of which is  
6 eliminating the award incentive this year.  
7 It's our anticipation that if the market  
8 recovers and if filings begin to increase  
9 again, that we'll reintroduce the bonus  
10 incentive for our employees.

11 MR. FRIEDMAN: For clarification, is  
12 it this year or just the first six months?

13 MS. CHASSER: We suspended the bonus  
14 for the first six months, and we're planning  
15 to look very carefully at the level of filings  
16 on a bimonthly basis, as well as budget the  
17 fees coming into the organization, and we will  
18 be making decisions based on the information  
19 that we receive.

20 MR. ALEXANDER: When you say year-end  
21 2002, you're talking about October 31?

1 MS. CHASSER: The federal fiscal year  
2 ends on September 30th, so it would be  
3 September 30th, 2002.

4 MR. ALEXANDER: We're about to enter  
5 2002?

6 MS. CHASSER: We're currently, right,  
7 in the 2002.

8 MR. ALEXANDER: Thank you very much.  
9 Going out of order now, I'd like to have Chief  
10 Justice Sams make a presentation on TTAB.

11 JUDGE SAMS: Thank you. I want to  
12 just give a very short report and then allow  
13 you to ask any questions and that I'm able to  
14 help the committee with any information they  
15 would like to have from me.

16 Let me say in very short terms, the  
17 report from the TTAB is, on the whole, a very  
18 good one, I think. Over the last year, we've  
19 made some remarkable progress in reducing the  
20 time it takes us to issue decisions. Could I  
21 have the first slide here?

1           As this slide shows, the pendency for  
2 final TTAB decisions, that is the number of  
3 weeks it takes from the time a case is ready  
4 for a final decision until the issue of final  
5 decision, has been dropping steadily. In  
6 particular, it's very pleasing to report that  
7 over the last year, the Board issued an  
8 all-time high number of final decisions and  
9 reduced the average pendency from 22.7 weeks,  
10 which is started in September 2000, down to a  
11 mere 9 weeks at the end of this past fiscal  
12 year which ended on September 30th.

13           Next slide. We saw similar results in  
14 decisions on motions for summary judgment,  
15 where we put a lot of effort over the last  
16 year as well. As this chart shows, over the  
17 last year, the pendency for summary judgments  
18 has dropped from 50 weeks, it was almost  
19 taking a year to get a decision on summary  
20 judgment, down to 14 weeks. And you also  
21 might be interested to know that, as of the

1 end of the fiscal year just completed, we had  
2 only 15 motions for summary judgment that were  
3 pending decision. So we made a substantial  
4 effort in this area as well.

5 In the fiscal year that's just been  
6 concluded, the TTAB, like the trademark  
7 examining organization, saw a drop in total  
8 filings. Let's have the next slide, please.  
9 As you can see from this chart, the Board  
10 received some 4,038 notices of opposition, new  
11 ones, 1,437 new cancellation proceedings,  
12 3,046 new ex parte appeals, and 5 new  
13 concurrent use proceedings. To put those  
14 numbers into greater context, they represent a  
15 drop of 24 percent in oppositions over the  
16 year, a drop of 8.5 percent in cancellation  
17 petitions over the previous year. But,  
18 interestingly, the number of appeals was up 14  
19 percent over the prior year, so we do have a  
20 slightly different trend in the ex parte  
21 appeal area. Next slide.

1           This shows our recent and projected  
2 filings so you can get sort of a broader  
3 perspective on it. As you see, in fiscal year  
4 2001, the second column on the chart, our  
5 overall receipts were at 8,526, dropping about  
6 8.6 percent from the 9,261 filings for fiscal  
7 year 2000, but we're projecting a rebound in  
8 filings over the next three years. Let me say  
9 a word or two about why we think that's so.

10           MR. NICHOLSON: Do filings include  
11 appeals, oppositions, cancellations?

12           JUDGE SAMS: Yes, that's right. It  
13 includes oppositions, cancellations.

14           MR. ALEXANDER: Please give your name  
15 when you speak.

16           JUDGE SAMS: It includes, Joe, ex  
17 parte appeals as well, and concurrent use  
18 proceedings, although we only had five last  
19 year, so it does not obviously affect much.

20           I wanted to say a word or two about  
21 why we are projecting a gradual increase in

1 the new proceedings at the Board. Our  
2 projections in oppositions are based on  
3 trademarks projections, the number of cases  
4 they expect to publish for opposition during  
5 the years. And for fiscal years '02, '03 and  
6 '04, trademarks is now projecting yearly  
7 increases, not substantial ones, but some  
8 increase in cases published for oppositions.  
9 So that goes into the balance of our  
10 projections as well.

11 And for ex parte appeals, we derived  
12 our projections from recent year appeal  
13 filings and trademark projections of new  
14 application filings. So when we pulled all of  
15 those numbers into our projection model, our  
16 figures show a gradual upward movement in TTAB  
17 filings over the next few years, although not  
18 at the rates that we had previously seen.  
19 Could I have the next slide.

20 These show our goals for FY02. And  
21 our aim, very simply stated, is to issue final

1 decisions and decisions on all contested  
2 motions, summary judgments and other contested  
3 motions within 12 weeks of the date that  
4 they're ready for decision. Right now, we're  
5 beating the goal on finals and we're very  
6 nearly at that goal on summary judgments and  
7 other contested motions. Next slide.

8 A brief note on TTAB staffing. We now  
9 have 15 administrative trademark judges on  
10 board, and 16 interlocutory attorneys, and the  
11 total staff is 78. Part of that is due to  
12 inability to replace attritions during the  
13 freeze over the last year or so. But we have  
14 an authorized level of 97. As for our  
15 staffing targets for '02, '03, by '03, the  
16 slide shows what we've projected we might need  
17 in the way of hiring. Obviously, all of these  
18 decisions on additional TTAB hires will have  
19 to take into account our actual filings in  
20 FY02 and '03, which we're going to monitor  
21 extremely carefully, and our updated

1 projections on what our existing staff can do.  
2 So I'll have to take those numbers let's say  
3 with a grain of salt, at least for the moment.

4 Before opening the floor to questions,  
5 though, I want to say a few words, if you'll  
6 give me the next slide, on e-commerce at the  
7 TTAB. More about our progress on TTAB, I have  
8 in a second. But first I want to report that,  
9 as far as work at home is concerned, the TTAB  
10 pilot work at home is doing very well. We  
11 have now six judges, four attorneys, two  
12 paralegals all participating in our program.  
13 This has saved us actually some savings in  
14 terms of office space. We are doubling those  
15 people who are on work at home, so we're able  
16 to bring back all of our staff to the ninth  
17 floor of the south tower to make some gains  
18 there.

19 Our current plans are to expand the  
20 work-at-home program up to 27 participants by  
21 fiscal year '03. Our advisory proceedings

1 index, which we call BISX, is now on the TTAB  
2 web page. I hope you've had a chance to use  
3 it. A lot of people have, according to what  
4 I've been told, anecdotally, this database  
5 gives status and a good deal of information on  
6 current and terminated TTAB proceedings. Our  
7 plans for fiscal year '02 included initiative  
8 to expand the PTO's electronic filing  
9 capability to permit the electronic filing of  
10 notices of oppositions, petitions to cancel,  
11 extensions of time to oppose.

12 And, finally, TTABIS, we're very  
13 excited about TTABIS. It's the Board's new  
14 electronic work-flow system. In July, we  
15 began a pilot in which 25 percent of our staff  
16 are participating. The pilot team has been  
17 trained on the use of the new work-flow  
18 system, and they've been helping us improve  
19 and refine it before it's rolled out to the  
20 remainder of our staff.

21 TTABIS, just in case you didn't know,

1 allows complete electronic processing of  
2 files. All new papers for the pilot team are  
3 now being scanned in electronically, entered  
4 into the appropriate electronic file, and then  
5 moved electronically from desk top to desk top  
6 for appropriate action. This new system  
7 allows us to capture incoming papers at the  
8 time of delivery. Quite significantly, it  
9 effectively eliminates lost and miss-matched  
10 papers because everything is an electronic  
11 record. It, therefore, minimizes or  
12 eliminates file movement and will eventually  
13 allow public access to our electronic files.

14 As of October 12, as you see from this  
15 chart here, the oldest unprocessed extension  
16 of time or opposition or cancellation had a  
17 mail room date receipt of September 28, and  
18 the oldest electronic document awaiting  
19 processing, a mail room receipt date of  
20 September 15. We're confident that those  
21 processing times will only get better as our

1 staff becomes more comfortable working with  
2 TTABIS and as we add more people to the TTABIS  
3 system. TTABIS is a long time in coming, but  
4 I think we're already seeing the benefits of  
5 it. And now I'd be happy to hear whatever  
6 questions you have.

7 MR. STIMSON: David Stimson. Judge  
8 Sams, is a member of the T-PAC's TTAB  
9 subcommittee, I'm very pleased to see the  
10 figures you've put up there on the pendency  
11 and the great progress we've made on that. I  
12 was wondering if you could talk a little bit  
13 about what actions the TTAB took that resulted  
14 in those improvements in pendency. I know the  
15 number of cases are down, but doubting as much  
16 as the result of that pendency.

17 JUDGE SAMS: That is correct. First  
18 of all, it's a question of having a few more  
19 people. The Board is a small enough  
20 organization that the impact of having a few  
21 additional judges and some additional

1 interlocutory help can make a big difference,  
2 and it did. We were able to add a couple of  
3 people to the staff over the course of the  
4 last two years. We were also, in the  
5 management end of things, able to take some  
6 work that had been done by the judges and give  
7 it, now that we have a fully trained paralegal  
8 staff, to the paralegal staff and, therefore,  
9 devote more resources to the judges to  
10 decision-making.

11 Also, I think that, just on the level  
12 of productivity, we had the most productive  
13 year per judge that we've ever had. And so  
14 the combination of those factors added up to  
15 giving us the best year we've ever had.

16 MR. ALEXANDER: Judge Sams, how is the  
17 Dilution Act of 1999 affecting the TTAB?

18 JUDGE SAMS: Early on, I tried to  
19 track in a very sort of rough way how many  
20 dilution claims we've been getting. Over the  
21 course of about the first year and a half, we

1 received something for the whole trial period.  
2 From what we can tell, and we don't have a  
3 great deal of evidence yet, but it does look  
4 as those cases with dilution claims are any  
5 more likely to be tried than those without  
6 dilution claims.

7           We have recently published a couple of  
8 decisions dealing with procedural issues  
9 surrounding dilution, which gives some  
10 guidelines about what kind of pleading is  
11 required. That probably has some affect on  
12 the future number of cases that have dilution  
13 claims. When these cases become well  
14 understood by the lawyers who practice before  
15 us and what they need to put into a pleading  
16 in order for us to recognize it.

17           Also, we are about to issue within the  
18 next few weeks, and maybe even soon, our first  
19 major decision in the dilution area, which  
20 should give a lot of guidance to practitioners  
21 about how we're going to be treating dilution

1 claims, and it may have an impact on how many  
2 are going to be filed in the future.

3 MR. ALEXANDER: Do you find much abuse  
4 in the dilution area?

5 JUDGE SAMS: I don't know if it  
6 behooves me to define abuse. We have seen a  
7 lot of claims that I guess I could be candid  
8 and say have raised some eyebrows among the  
9 staff about whether or not they're ultimately  
10 to be successful, but beyond that, I probably  
11 shouldn't say much.

12 MR. ALEXANDER: If, in fact, dilution  
13 claims are filed where they are specious as  
14 filed with TTAB, do they have a procedure in  
15 which they deal with that other than dispose  
16 of it by summary judgment motion? The amount  
17 of time it takes, obviously, attorneys on both  
18 sides, as well as the Board, in the use of  
19 public taxpayer money as well as parties.

20 The reason I ask is I saw a list of  
21 some of the cases, a number of which seemed

1 rather bizarre, and if they were filed in  
2 Federal Court might even raise Rule 11  
3 questions, I wondered how you would deal with  
4 that.

5 JUDGE SAMS: Well, we haven't dealt  
6 with it extensively at all, to be quite candid  
7 about it, since it hasn't come up in the  
8 context of any motions practice. I kind of  
9 shutter a little bit at the idea of Rule 11  
10 and all the 1,700 cases or so. We did go  
11 through a period where Rule 11 was thrown in  
12 kind of as an afterthought in a whole lot of  
13 proceedings when it became, for a while, quite  
14 popular in the District Court, but we found it  
15 in our practice as well.

16 But right now we're dealing with it  
17 simply in a precedential way, putting out as  
18 many precedences as we have on the issue of  
19 dilution and relying on that method to keep it  
20 under control. I suppose if there were more  
21 frivolous claims, there may be some more

1       drastic measures required.  But right now, I  
2       think we're being prudent in just using the  
3       mechanism of precedent.

4                 MR. ALEXANDER:  In terms of electronic  
5       filing, are you going to be scanning in  
6       evidentiary material in those cases?

7                 JUDGE SAMS:  We do plan to -- there's  
8       some material that will be essentially  
9       incapable of scanning, bulky exhibits which we  
10      will not, and those are, in any event, under  
11      our present practice, the kind of things that  
12      we return to the parties so they're not part  
13      of the permanent record anyway.  So other than  
14      that, we're going to be scanning pretty much  
15      everything, including briefs and testimony  
16      depositions.

17                MR. ALEXANDER:  What procedure will  
18      there be for not automatically scanning in  
19      some exhibits that are under seal or  
20      confidential and requested to remain  
21      confidential?

1           JUDGE SAMS: Yes, we have very strict  
2 procedures within the TTABIS system to  
3 identify confidential information and to make  
4 certain that it is not publically accessible,  
5 and there are a couple of fail-safes as well.

6           MR. ALEXANDER: Thank you. Anything  
7 else? Thank you, Judge Sams. We appreciate  
8 your spending your time with us. Clarence, I  
9 think we went so far over here that I thought  
10 I'd get your report.

11           MR. CRAWFORD: What I would like to do  
12 is to give you an update on fiscal year 2002.  
13 And I'll focus mostly on the numbers and the  
14 dollars. I think Anne has provided a good  
15 explanation of what the anticipated outcomes  
16 will be, but I'm happy to discuss those as  
17 well. Let's go to the next slide.

18           This is just a reminder of what the  
19 President's budget request was for the Patent  
20 and Trademark Office for fiscal year 2002. We  
21 are into the fiscal year almost a month at

1 this point. The President requested \$1,139  
2 million. That's about \$100 million increase  
3 over fiscal year 2001. When you look at the  
4 PTO compared to other programs in terms of  
5 this increase, not necessarily looking at  
6 workload, we are funded at about a 10 percent  
7 increase, and for a non-Presidential priority  
8 program, that's quite good. Now, there's some  
9 other issues around workload with it, but  
10 we'll deal with that later.

11 The initial request was to essentially  
12 maintain current staffing levels in patents  
13 and trademarks. We were not going to expand  
14 above that, so we were only going to  
15 essentially hire to replace employees who  
16 would leave the organization during the course  
17 of the fiscal year. Next slide.

18 If you look at our increase, it's  
19 really two major areas. We've got about \$43  
20 million to cover what we call mandatory cost  
21 increases, and those are things like increases

1 in contracts that automatically increase based  
2 on inflation, and then there's a \$25 million  
3 in there to cover the full-year cost of the  
4 pay adjustment. Those are the things that we  
5 would be required to pay.

6 The second group are program  
7 increases. We were very fortunate in fiscal  
8 year 2001 nearing the end of the year to  
9 receive approval for the special pay package  
10 for patent examiners. We are probably one of  
11 the few agencies in the government that's been  
12 able to get as comprehensive a pay package as  
13 we were able to do and work in partnership  
14 with our patent examiner union to make that  
15 happen.

16 The next area was some cost increases  
17 related to implementing -- these are mostly  
18 systems kinds of things -- the American  
19 Inventors Protection Act of \$17 million. And  
20 then the final thing which would be of  
21 interest to you is the money -- we were also

1 very fortunate to get from OMB money to fund  
2 the incentive program in trademarks. We're  
3 fortunate on both of the pay issues. OMB  
4 tends not to like to fund those, but we were  
5 fortunate to get those in and to have those  
6 approved. Let's go to our next slide.

7 I want to give you an update. As Anne  
8 had pointed out, things have changed. The  
9 economy has worsened, filings have fallen. We  
10 have been watching this very carefully  
11 throughout the year. We have been making  
12 adjustments, and Anne has talked about some of  
13 those. But, essentially, just as a highlight,  
14 we had initially projected a filing level,  
15 income level of \$1,346 million. Our new  
16 estimate is \$1,198 million. The major  
17 adjustments are adjustments for anticipated  
18 revenue from the PG-Pubs.

19 One of the challenges that we had  
20 being funded, when we're required to make  
21 changes or to project new filing behaviors, we

1 have to anticipate what affect would a change  
2 in the law have in the behaviors of potential  
3 applicants of patents and trademarks and then  
4 try to figure out how that would play out  
5 during the course of the year. Our best  
6 information and everything indicated that we  
7 would have actually received more money  
8 related to the PG-Pubs. That has not worked  
9 out.

10 By the same token, the patent filing  
11 levels have grown just a bit, so there's a  
12 slight increase there. On the trademark side,  
13 we believe it's largely tied to changes in the  
14 economy and decisions on the part of trademark  
15 applicants, we've actually witnessed -- we're  
16 witnessing a decrease, and we believe that a  
17 more reasonable estimate for filing levels  
18 from trademarks is something in the  
19 neighborhood of 300,000. That's essentially  
20 what we received in fiscal year 2001.

21 Now, we're monitoring that very

1 carefully. We're working with the trademark  
2 organization and, with NTU 245, we're looking  
3 at that a couple of times a month, and we're  
4 working a number strategy, so we think we're  
5 going to be okay. Next slide.

6 I just want to give you another  
7 snapshot of our filing, look at our pie chart,  
8 just in the income. What we're anticipating  
9 is that the trademark income is going to be  
10 about 13 percent, that's about \$156 million.  
11 In our initial projections, I think we were  
12 looking at something closer to 14, almost 15  
13 percent in filing.

14 I think Anne did a very nice job of  
15 talking about filings and workloads. I wanted  
16 to just share with you and show you  
17 graphically essentially the same information  
18 that Anne has given you in the earlier  
19 presentation. In the pendency, for first  
20 action, I think this is pretty consistent. I  
21 believe I had mentioned about a 2.7 month to

1 first action is what we're looking at in  
2 trademarks. And this is just the chart just  
3 showing grants and registration.

4 I wanted to just give you an update,  
5 let you look at sort of how the budget has  
6 evolved and where we are. At present, the  
7 House mark is actually about \$10 million below  
8 the President's initial request. That's what  
9 they had marked up. We're in, as I said, a  
10 state of a continuing resolution, and I'll  
11 talk a little bit more about what that means.

12 The Senate version, as it stands  
13 today, would give us exactly the President's  
14 request. The changes that you'll note in the  
15 far right-hand column, the top is the income  
16 changes based on the projected changes and the  
17 filing levels largely on the trademark side,  
18 as well as the filing with respect to PT-Pubs  
19 on the patent side. Let's go to the next  
20 slide.

21 We're operating under a continuing

1 resolution. The current one expires at  
2 midnight. Essentially what that means is that  
3 -- and this is something that happens if the  
4 Congress and the President fail to -- if  
5 Congress fails to pass and the President  
6 doesn't have an appropriations bill to sign,  
7 what is typically done is there's a continuing  
8 resolution, and what the continuing resolution  
9 essentially states is, for a certain period of  
10 time, it's usually time-sensitive, and it says  
11 you can operate at the prior year funding  
12 level. So we're operating at a 2001 funding  
13 level.

14 I was just checking the email, and it  
15 looks like there's another continuing  
16 resolution that's working its way through. I  
17 don't know if it's actually made its way to  
18 the President's desk. And that would be to  
19 fund the government through October the 23rd.  
20 I think that there's a very strong likelihood  
21 that the Congress and the administration will

1       come to an understanding on the '02  
2       appropriations.

3               I would say that there's a very good  
4       chance that they will have an appropriations  
5       bill perhaps as early as the 23rd, maybe the  
6       end of the month, but I think around  
7       Thanksgiving. If it doesn't happen by  
8       Thanksgiving, then I would imagine they will  
9       extend the continuing resolution until  
10      sometime after the first of the year.

11              The short-term continuing resolution  
12      is something we can work our way through.  
13      Should the continuing resolution remain in  
14      effect for a quarter of the fiscal year or  
15      longer, then it presents a little bit more of  
16      a challenge as we try to live within those  
17      constraints.

18              With the passage of an appropriation,  
19      which we're hoping will come in the next few  
20      days, we're anticipating a few adjustments.  
21      The President's budget request assumed that

1 3.6 percent pay raise. And what it now looks  
2 very likely that the Congress may actually  
3 increase the government pay raise to 4.6. So,  
4 on one hand, it's welcome, but on the other  
5 hand, in trying to find what this means for us  
6 is that we would have to find about \$4.3  
7 million. Quite often, especially in years  
8 where dollars are tight, it's not uncommon for  
9 agencies to be expected to absorb these kinds  
10 of increases without any additional help.

11 There's also a possibility that, in  
12 order to fund the anti-terrorism activities of  
13 the government, there's also a rumor that, as  
14 they reach final decisions on fiscal year  
15 2002, that there may be some type of across-  
16 the-board cut, exempting, say, defense and  
17 justice and some of those that are doing  
18 front-line work on the war against terrorism.  
19 Whether there could be an across-the-board  
20 reduction to the rest of the government, we  
21 don't know other than we've heard that there

1 is a possibility.

2 I think the third thing that's still  
3 out there is that we're hopeful that, when the  
4 House and Senate come together to look at our  
5 appropriation, that the Senate language will  
6 hold and that we will not lose \$10 million as  
7 initially requested by the House. Next slide.

8 We've been busy this year, in 2001, in  
9 anticipation of 2002 and 2003. As you know  
10 what's in the public record, the Congress has  
11 asked us to come back to them with a  
12 requirements based budget and look at what our  
13 requirements are and come with a, I think in  
14 one case, it's called a five-year strategic  
15 plan or business plan and things of that  
16 nature. And we are working those issues, and  
17 we're currently doing that with the  
18 administration.

19 In anticipation of that, what we have  
20 used 2001 and 2002 as, we decided, made a  
21 conscious decision several months ago that,

1 since we were going to be under a hiring  
2 freeze in 2001, that rather than spend that  
3 money on other things, we were going to use  
4 the opportunity to fence those monies and then  
5 use those monies to help actually get an early  
6 start on 2003, both in the patents and in the  
7 trademarks side of our businesses.

8 So one of your questions earlier, Mr.  
9 Chairman, was whether there was an audit  
10 committee or whether anyone was looking at  
11 what we were spending and the like. We went  
12 back and scrubbed, and I must say it was a  
13 rather painful process of going through every  
14 line item in every organization and, from  
15 that, we identified about \$38 million. Now,  
16 this is not money that wouldn't have gone to  
17 worthwhile efforts, but when we started to  
18 really set down at look at what our two  
19 priorities of improving quality and improving  
20 pendency, we just decided that we just  
21 couldn't afford to spend in outlet.

1           So we took money out of the base from  
2 across the board. We then also used, since we  
3 were under a hiring freeze for an extended  
4 period of time, we're a billion dollar  
5 organization, so we realized a certain amount  
6 of money, we decided we were going to hold  
7 down spending on the compensation side, even  
8 after we got some relief from the hiring  
9 freeze, and that we were going to use those  
10 funds to forward-fund initiatives in 2002 and  
11 in anticipation of what we would like to be  
12 able to do in 2003.

13           So listed below are some examples of  
14 what we did. We funded shortfalls from the  
15 patent examiner attrition, increased pay  
16 raise, we've covered some additional costs  
17 there, shortfalls in contracts. We are also,  
18 on the patent side, where most of this money  
19 comes actually comes from, we made a conscious  
20 decision that we were going to try to not only  
21 hire to match attrition, but we were actually

1 going to try to find a way to hire above  
2 attrition. So our current plans call for  
3 almost a 460 increase in hiring above  
4 attrition in the patent arena. And then on  
5 accelerating the e-government, of the \$18  
6 million, I believe about \$4 million went into  
7 trademarks e-government initiatives to  
8 forward-fund and to move those projects along  
9 as quickly as we could.

10 This concludes my presentation. And I  
11 would be happy to take any questions you may  
12 have.

13 MR. ORESKY: Lawrence Oresky. In your  
14 presentation, you mentioned that the pay raise  
15 will be about 4.6 percent, it will cost \$4.3  
16 million from the base. Does that take into  
17 account the issue of what portion is going to  
18 be a national pay raise and what portion is  
19 going to be locality? And also the fact that  
20 the examiner pay raise is a special pay raise,  
21 therefore, we don't automatically get the

1     locality raise?

2                   MR. CRAWFORD:   My understanding is,  
3     the way it looks now, Larry, is that there may  
4     be just the national raise.  It's not clear  
5     exactly how they're going to carve up the 4.6.  
6     And I think the second part of your question  
7     was also, are we going to remember the patent  
8     examiners.  Yes, we are.  We are not going to  
9     forget them, and we'll take care of that as we  
10    worked out in the Millennium Agreement.

11                   MR. ALEXANDER:  I take it the budget  
12    does not anticipate any hiring on the  
13    trademark side?

14                   MR. CRAWFORD:  That's correct.

15                   MR. ALEXANDER:  Thank you very much.

16                   MR. CRAWFORD:  Thank you.

17                   MR. ALEXANDER:  I'd like to ask our  
18    very distinguished awardee, Bob Anderson, to  
19    address us, and then we will take a break and  
20    hear from our last speaker.

21                   MR. ANDERSON:  I'll be covering 2001.

1 As you already heard, 2001 was an unusual  
2 year. Our first estimate for filings for 2001  
3 was 450,000. That was based on a 25 percent  
4 increase, which was essentially driven by  
5 increases of 27 percent each of the two  
6 preceding years. As we went through the year,  
7 we first dropped the estimate to 325,000 and  
8 then finally to 300,000. It looks like we're  
9 going to get applications at a level of about  
10 297,000, potentially as low as around 295,000.  
11 We're still processing September figures, so  
12 we don't have final numbers yet.

13 The increase or decrease in  
14 applications for 2001 will be 20 percent or  
15 slightly over 20 percent. Examiner first  
16 actions, a record high, 451,957. We  
17 anticipate that's going to have to drop off  
18 fairly substantially in 2002 because we simply  
19 won't have the work in the office to do.  
20 Trademarks registered and abandoned, office  
21 disposals, 267,475. That is also a bit high.

1 Next slide.

2 On timeliness, as Anne has said,  
3 pendency to first action, 2.7 months. Last  
4 time we were at that level was back in the  
5 '80s. Pendency to registration is 17.8  
6 months. The common question is, is why isn't  
7 pendency to registration dropping more  
8 quickly. It's because the driver is where  
9 first actions were as long as a year and a  
10 half, two years ago. So pendency to  
11 registration will gradually come down to  
12 reflect the lower first action pendency, but  
13 it will take some time to do that.

14 Production incentive award increase,  
15 the average production in the organization by  
16 about 18 to 20 percent. I'm not talking about  
17 productivity and I'm not talking about  
18 production per examiner. It's just the  
19 production incentive award appears to have an  
20 effect of increasing production by about 18 to  
21 20 percent. We'll have final numbers on that

1       sometime after the end of October.

2               We also have more examining attorneys  
3       working on cases, which drove up first  
4       actions. We hired 75 examiners between  
5       September 2000 and January 2001. We had  
6       actually intended to get up to 425 examiners.  
7       We stopped hiring when we got to 415. We  
8       started the year with about I believe it was  
9       373. Right now, we are back down to 388  
10       examiners. At the end of the fiscal year, we  
11       were at 391, and we've lost two or three  
12       people since then.

13              In the discussions on the problem of  
14       having too many people and too few  
15       applications, we do anticipate that attritions  
16       will continue at a very reasonable level  
17       through this year, and that will help  
18       substantially in reducing the number of people  
19       on board.

20              Miles asked the question earlier about  
21       hiring. With our current projections for

1 filing, we do not plan on hiring new examiners  
2 until fiscal year 2004. So right now we would  
3 go through 2002 and 2003 without hiring new  
4 examiners based on our projected attrition  
5 rates and anticipated filings. If filings  
6 increase faster than we anticipate or if  
7 attrition rates increase beyond what we  
8 expect, then we would be hiring earlier. On  
9 the other hand, if filings are lower and  
10 attrition rates are lower, then we would be  
11 hiring either way later in 2004 and possibly  
12 holding off until 2005.

13 As has been discussed, we have taken a  
14 number of steps to reduce production. First,  
15 we cut out overtime. Next, we put off the  
16 examiner incentive award for the first six  
17 months. We'll review it at the end of the  
18 first six months, and if it's needed, we'll  
19 put it back in the system to increase  
20 production some. And, of course, we can  
21 always continue hiring again.

1           Another thing that helped production  
2 was we had an increased number of examiners  
3 working at home, and we have seen an increase  
4 in production from examiners who work at home,  
5 not so much because they actually increase  
6 productivity, but because they have more  
7 examining hours on the books, which has an  
8 automatic effective increase in production.  
9 In terms of working at home, we started fiscal  
10 2001 with 53 examiners at home. We now have  
11 88 examiners working at home. By the end of  
12 the calendar year, we plan on having 110  
13 examining attorneys working at home. We also  
14 have three paralegals in a pilot program  
15 working at home. If that pilot is successful,  
16 we will go on to have additional paralegals  
17 working at home.

18           Application filings, as Anne said  
19 earlier, this chart gives you fiscal year  
20 1999, fiscal '01 and fiscal '00. '99 and 2001  
21 are about the same in terms of filings. You

1 can see, actually, this was the high point of  
2 the stock market, this is March 2000. And  
3 after March 2000, just as the stock market  
4 did, things have pretty much been going down.  
5 Hopefully, this is not a predictor of where  
6 the market is heading because, if it is, it's  
7 going to be a problem.

8 Our September filings this year were  
9 the lowest that we have seen in quite some  
10 time, goes clear back into -- that would be  
11 November 1999 was the last time they were that  
12 low. There was some affect from September 11.  
13 We received virtually no filings on the 11th,  
14 and there was a definite slowdown immediately  
15 afterwards. We do believe that, at this  
16 point, we have received most of the mail that  
17 kind of was backlogged in the system, but our  
18 September filings were extremely low. We are  
19 seeing something of a pickup in October, but  
20 it's too early to make any predictions about  
21 what's going on. Could just be that, because

1 September filings were low, some people are  
2 getting back into the system in October.

3 A question was asked this morning  
4 about ITU. Last year, ITU filings were 67  
5 percent of the total. This year, they're 69  
6 percent of the total. That's fairly  
7 consistent with what we've been seeing  
8 recently. ITU filings have been going up  
9 about two to three percent a year ever since  
10 the system came into existence.

11 This is trademark electronic filing.  
12 Twenty-four percent of our total applications  
13 filed for registration were filed  
14 electronically this past fiscal year. Our  
15 goal was 30 percent in 2001, and 50 percent in  
16 2002, 80 percent by 2003. Although  
17 application filings overall are substantially  
18 less than we expected, electronic filings have  
19 continued to increase through this fiscal  
20 year, and they have also stayed at a high  
21 level, even though overall filings have been

1 dropping. For the last couple of months this  
2 year, we were in the 30 percent range a couple  
3 of months. September did drop off some. Last  
4 year, 15 percent of our filings were received  
5 electronically. This year, we're up to 24  
6 percent.

7 ITU and post-registration have been  
8 available for just over a year. Although the  
9 rate is less than we anticipated, we believe  
10 it will increase, just as application filings  
11 did, as people adjust to using the system. We  
12 also identified a couple of problems where the  
13 electronically filed papers were being  
14 inserted into file wrappers and then not  
15 processed. We believe we're getting that  
16 under control and, with that out of the way,  
17 electronic filings should work more smoothly  
18 for post-registration type new matters.

19 There were a small number of ITU  
20 applications that were abandoned in which the  
21 party has filed an electronic paper.

1 Hopefully, those have all been revived and are  
2 back into the system. And we have put  
3 procedures in place to ensure that, that does  
4 not happen again, we hope. Twelve percent of  
5 IT forms and three percent of  
6 post-registration materials are being filed  
7 electronically at this point.

8           Since you've heard most of these  
9 numbers several times, I'm not sure they're  
10 worth repeating. Examiners telecommuting, the  
11 90 at the end of fiscal '01 was actually 89.  
12 We are still planning on putting more  
13 examining attorneys out. And then this  
14 morning, I believe it was mentioned, we're  
15 looking at another telecommuting program that  
16 would allow, in return for reducing the amount  
17 of time on examination, examiners to work at  
18 home. But we're looking at it somewhat on a  
19 job sharing basis.

20           If two examiners are willing to go to  
21 20 hours a week, then we would put both of

1       them working at home which, in essence, would  
2       take FPE out of production. We've talked to a  
3       few people about it. However, that is not a  
4       formal program on the table yet. We do have  
5       estimates on costs, and we are looking at it  
6       as part of the overall method of reducing  
7       production in the corps.

8               MR. ALEXANDER: Bob, if you put two  
9       examiners with 20 hours each, what is the  
10       equivalent cost compared to one full-time  
11       person at the office or one full-time person  
12       at home? Have you done those figures?

13              MR. ANDERSON: Well, for the salary  
14       and so forth, it's about the same. If they  
15       are 22 hours, they still get benefit, but the  
16       benefits are paid out at a reduced level. One  
17       of the things the Federal Government does, if  
18       you reduce your hours, the payout for benefits  
19       such as health insurance, retirement and so  
20       forth, drops commensurate with the hours. If  
21       you go below 22 hours, then you lose health

1 insurance and retirement benefits and so  
2 forth. So 22 hours is the cutoff point. But  
3 once you drop below 40, it starts to have an  
4 impact on the benefits that we pay. And, of  
5 course, there's commensurate reduction in  
6 salary.

7 Now, for the work-at-home program  
8 itself, the current telecommuting program  
9 would give the examiners a desk-top computer  
10 and all things that are required to do  
11 examination. An examiner's desk-top at home,  
12 and I'm speaking of what they'd have access to  
13 through the system, is exactly the same as  
14 what they'd have at the office.

15 For this alternative telecommuting,  
16 we're talking to CIO about going to lap tops  
17 rather than a full desk-top computer. They  
18 would have a computer screen and they would  
19 have a keyboard and mouse and a printer.  
20 Currently, if the desk-top computer breaks, we  
21 send a technician out to their house to fix

1 it. Under the new program, if the lap top  
2 stops working, they would bring the lap top  
3 back to the office and have it fixed here, so  
4 we would not, except in extreme emergency,  
5 send a technician out to their house to fix  
6 the lap top.

7 The discussion with the CIO is to have  
8 these employees on DSL. But rather than  
9 sending a technician out to install the DSL,  
10 the expectation would be that the employee  
11 would attempt to set up the DSL themselves  
12 pretty much as you would do if you purchased a  
13 DSL from Verizon or Bell Atlantic or a company  
14 like that. Then if you have problems, that  
15 would be the point at which we would put a  
16 technician in to help them set up the DSL.  
17 It's putting a little more responsibility on  
18 the employee to take care of some of these  
19 issues that now cost us money to handle.

20 But this is in preliminary discussion  
21 with both NTU 245 and with the CIO. The CIO

1 is telling us that lap tops might not work.  
2 And we haven't had any discussions of any  
3 substantive nature with NTU 245 at this point.

4 MR. ALEXANDER: Do you have a ballpark  
5 estimate, going back to the more direct dollar  
6 question I was asking, of what the equivalent  
7 of two people at home who shared, each one  
8 with 22 hours, how that compares with one  
9 person at home?

10 MR. ANDERSON: It would be slightly  
11 more expensive because we would be paying a  
12 salary of 44 hours per week rather than 40. A  
13 full-time employee in the office is 40 hours  
14 per week.

15 MR. ALEXANDER: What you're  
16 essentially saying is the benefit is a wash?

17 MR. ANDERSON: The benefits are pretty  
18 much a wash. And the other benefit we would  
19 get from this is it would reduce the amount of  
20 FPE doing production in the office. The  
21 people who select this program, if filings

1 pick up, would have an automatic option of  
2 adding hours if they wished to do so. So  
3 we're looking at putting some flexibility into  
4 the system in terms of handling personnel in  
5 the office. Any other questions?

6 MR. ALEXANDER: Yes, another  
7 comparison to a full-time person in the office  
8 where you have rendered other costs, is it  
9 less expensive to have two people at home  
10 rather than in the office?

11 MR. ANDERSON: Well, actually, we're  
12 addressing that in two different ways, and I  
13 don't think this has been mentioned yet.  
14 We're entering the pilot phase for what's  
15 called hotelling. What hotelling will do is  
16 -- and this is for people who are in the  
17 current work-at-home program, and this would  
18 also apply if we set up this other program.  
19 Rather than having a permanent office as the  
20 work-at-home people do now, where they come  
21 and sit, although they do share office space

1 with one other examiner, we'll have a suite of  
2 offices set aside as a hotel.

3           And when you're going to come into the  
4 office, and it would probably be only about  
5 four hours a week for the hotelling people,  
6 they will reserve an office that they will use  
7 while they're here, and when they leave,  
8 someone else will reserve that same office.  
9 So we will reduce the number of offices that  
10 we have for examiner office space.

11           And the quid pro quo would be  
12 eventually -- in fact, it's incorporated into  
13 our budget in 2003 and '04, is if hotelling  
14 goes as a full-blown method of handling  
15 telecommuting, we would eventually start  
16 giving up office space. Initially, we're  
17 looking at giving up a complete floor in  
18 either the north or south tower. We're  
19 looking at this for two reasons. It will help  
20 alleviate some of the space problems we  
21 currently have in terms of file storage and

1 other problems. It will also make available  
2 to the USPTO this space for other purposes.  
3 But we get out of paying the rent if some  
4 other part of the PTO takes over the space.

5 If the program is fully successful and  
6 if we keep deploying examiners on  
7 telecommuting, first, we would give up one  
8 floor, then potentially two floors and so on  
9 and so forth. We all believe that there is  
10 some threshold for the number of people who  
11 would want to telecommute and who would be  
12 willing to telecommute using a hotelling  
13 concept for moving in and out of the office.

14 We haven't bid it yet because, as  
15 Howard will tell you, telecommuting is one of  
16 the most popular programs I think we've  
17 probably created in the office, possibly only  
18 second to the \$10,000.00 production award. I  
19 don't quite know which comes first, and it  
20 actually may depend on the person.  
21 Telecommuting to some people outweighs

1 production award. To other people, the  
2 production award outweighs telecommuting. And  
3 we do have some examiners who are eligible to  
4 telecommute who have not gone into the  
5 program.

6 There are examiners who flat say, I  
7 cannot see working at home. They just don't  
8 want to.

9 MR. NICHOLSON: Is the hotelling  
10 concept being incorporated into the Carlisle  
11 space?

12 MR. ANDERSON: Yes. We're in kind of  
13 an interesting dilemma with Carlisle space.  
14 Carlisle, the initial plans were laid out when  
15 our telecommuting program was a pilot, had not  
16 been truly incorporated into our operating  
17 procedures. Now telecommuting is part of the  
18 way we operate. And if you look at the  
19 Carlisle plan at this point, it still looks  
20 kind of like it did when they first laid it  
21 out. However, we are working with Joanne

1 Bernard and our space people to build this  
2 telecommuting concept into the Carlisle site.

3 One of the questions at this point is  
4 whether the hotelling space will be in the  
5 trademark area or whether there will be just a  
6 hotelling space in the Carlisle site that  
7 everybody will use because patents is now  
8 moving into telecommuting. You heard David  
9 talk about the Trademark Trial and Appeal  
10 Board. So telecommuting is now becoming a  
11 part of the agency's mode of operation. And  
12 what Carlisle may look after we finish moving  
13 in, in 2005 may be somewhat different than the  
14 original plans were laid out for the building.

15 But, yes, telecommuting and hotelling  
16 are now being considered as we are moving into  
17 the final phases of doing these buildings at  
18 Carlisle.

19 MR. NICHOLSON: You're envisioning the  
20 office being 80 percent full?

21 MR. ANDERSON: Well, I think that's

1 possible. And I also believe that,  
2 particularly as broadband communications are  
3 coming in around the country, we now have an  
4 examining attorney who works in Gettysburg,  
5 Pennsylvania, and we have an examining  
6 attorney who works in Boston on telecommuting.  
7 Both of them because we now capture all of our  
8 incoming files electronically, regardless of  
9 whether they're on paper or filed  
10 electronically, you can pull up an image on  
11 your computer screen of these files.

12 The examiner in Boston pulls up an  
13 image of a new application to do first  
14 actions. Most of our people are still coming  
15 into the office, picking up file wrappers and  
16 taking them home. Because we do not put  
17 office actions or amendments into tickers yet,  
18 they can't do subsequent actions using  
19 tickers. We are starting a pilot in a few  
20 weeks to capture amendments and office actions  
21 in tickers, so we'll start creating complete

1 tickers file wrappers. There is a point in  
2 time in theory that we could have an examining  
3 attorney working in, you know, pick a place,  
4 San Francisco, Omaha, Nebraska, anyplace that  
5 has broadband communications which would allow  
6 them to download file wrappers.

7 And trademarks is fortunate in one  
8 aspect in that our file wrappers are not  
9 confidential as they are in patents when  
10 they're filed. So we don't have the same  
11 security issues that patents has in moving  
12 these files back and forth.

13 MR. ALEXANDER: Could the trademark  
14 space be essentially obsolete in Alexandria  
15 when you move there?

16 MR. ANDERSON: I don't think it will  
17 be obsolete in 2005. I think if you're asking  
18 the question about 2010, it might a different  
19 answer. I think the PTO may have commercial  
20 space available for rent in 2010 unless  
21 patents keeps hiring the way that they are

1 now.

2 MR. ALEXANDER: Is there any doubt,  
3 using inter-employee factor that is important,  
4 is lost in that large a group in hotelling  
5 telecommunication, walking down the hallway  
6 and getting an opinion from a colleague?

7 MR. ANDERSON: That was one of our  
8 concerns when we set this program up, and I  
9 can tell you that there were several managers  
10 and employees who were very concerned about  
11 the loss of community, in a sense, that we  
12 might experience with a telecommuting program.  
13 It didn't seem to show up through the pilot.  
14 I will tell you, it's very hard to analyze  
15 because telecommuting is so popular. And one  
16 of the things we did was ask examiners, do you  
17 believe that you lost anything by  
18 telecommuting.

19 MR. ALEXANDER: Never commuting.

20 MR. ANDERSON: Well, if you might lose  
21 telecommuting, I'm not so sure that they would

1 say, yes, I lost access to something. The way  
2 we are currently trying to cover that is an  
3 examiner goes out three days, works in one  
4 day.

5 MR. ALEXANDER: It would still be a  
6 four-day, right?

7 MR. ANDERSON: Oh, no. Actually, it's  
8 not four days anymore. You can come in for  
9 the shorter period of time any day of the  
10 week. It does give the examiner access to  
11 their manager and senior attorney, but not as  
12 much access to other people. At the same time  
13 in the agency, other things have been  
14 happening.

15 We used to work -- I mean, when I  
16 started 20 years ago, you worked 8:30 to 5:00.  
17 That was it. That was your schedule, 1979.  
18 And then they added flex time, and you could  
19 work between certain hours, and you could  
20 change it once every quarter, and so on and so  
21 forth. Then we added compressed time.

1           And about a year and a half, two years  
2 ago, we added, they don't like you to call it  
3 max flex, but, in essence, it's pretty much a  
4 maximal flex schedule. Now an employee in the  
5 organization can come in as early as 5:00 in  
6 the morning, work for four hours, take off for  
7 three hours and do errands or take a sick  
8 child to the doctor, whatever, go visit their  
9 child in school, take care of a parent, or  
10 just play out in the sun if they want to do  
11 that, and then come back to work and finish  
12 their day. They can work until as late as  
13 10:00 in the evening. They can also work any  
14 of the seven days of the week. They cannot  
15 work two weekend days in a row.

16           So the work schedules in the  
17 organization no longer match what you would  
18 anticipate. And because of that, the notion  
19 that there's a lot of communication between  
20 examiners is less and less true, even if we  
21 didn't have telecommuting. So I haven't

1 really answered your question, and it's partly  
2 because I don't know the answer.

3 MR. ALEXANDER: It's not just  
4 managers. Flex time is probably more of a  
5 problem for users in the office to be able to  
6 hold telephone conferences if somebody is not  
7 here during the normal workday.

8 MR. ANDERSON: Well, there's six of  
9 one and half a dozen of another on that. For  
10 the people on the East Coast, where it's a  
11 little bit harder to get a hold of somebody.  
12 We've also had compliments from the West Coast  
13 because now we have examiners in the office  
14 later and, low and behold, we have examiners  
15 calling the West Coast at 8:00 our time, which  
16 are still work hours out there. So it's six  
17 of one and half dozen of another. For  
18 everybody we've upset, we've probably made  
19 another practitioner happy.

20 MR. FRIEDMAN: Howard Friedman. Plus,  
21 since we have the increased flex schedule, we

1 actually have examiners calling Saturday or  
2 Sunday, hoping that you're in. To answer your  
3 question, to the extent there's been a problem  
4 with many, it kind of gets more into people  
5 that are in the office as opposed to those who  
6 are out of the office because, at least in the  
7 current program, in order to be on there, you  
8 must be a 13 or a 14, which means you don't  
9 need to rely on other people for help on any  
10 files.

11 The flip side, of course, is since  
12 they're not in the office, there are less 13s  
13 and 14s helping with 11s and 12s like they  
14 used to. But even then, the 13s and 14s who  
15 are at home have to be in the office at least  
16 16 hours a week, which generally good enough  
17 to help the 11s and 12s who are in the office  
18 40 hours a week.

19 That particular dynamic I guess could  
20 start to change when you only have to come in  
21 four hours a week as opposed to sixteen hours

1 a week as to the impact if they have more  
2 people in the office 40 hours a week.

3 MR. ORESKY: I just a question. Do  
4 you have any data or any stories on any  
5 reports on people using the phone? In other  
6 words, if they want to call an examiner  
7 because they have a problem with a case, are  
8 they likely to pick up the phone and say, hey,  
9 pull up this on the screen and I'll show you  
10 what I'm talking about, or do they tend to  
11 work it out themselves without usually using  
12 the phone? And opposed to walking down three  
13 offices and saying, hey, I've got this, take a  
14 look at it.

15 MR. ANDERSON: Well, I don't have any  
16 data, per se, on using the telephone. I do  
17 know that there's a lot more use of email and  
18 telephone in general. But I cannot back that  
19 up with any hard data. And on examiners and  
20 applicants being able to have contact with  
21 each other, an examiner is required to pick up

1 their telephone messages within 24 hours and  
2 return them.

3           So if they're on the work-at-home  
4 program, they must deal with phone messages  
5 that are being left. And the other thing that  
6 is happening in trademarks, you've heard about  
7 the e-commerce offices have been set up.  
8 Three offices are moving towards electronic  
9 examination, and many examiners in those  
10 offices are commonly communicating with  
11 applicants via email as opposed to telephone,  
12 including sending office actions and receiving  
13 responses to office actions.

14           So the e-commerce activity is still  
15 filing experimental things, but I think it is  
16 what the work place between trademark owners  
17 and trademark representatives in the office  
18 would look like at some point in the future.  
19 New means of communication are going to change  
20 the way the people interact with each other.

21           MR. FRIEDMAN: Similarly, it's very

1 easy, obviously, to have someone in the office  
2 to email another attorney who works at the  
3 Trademark Office who's at home to ask them  
4 questions, not really a need to physically  
5 stop by their office to ask them a question.  
6 Finally, there's a requirement in the  
7 corporate performance appraisal plan to pick  
8 up the phone to communicate with applicants to  
9 try and get a certain rating and a certain  
10 element, and that requirement is the same  
11 whether you're working at home or working in  
12 an office.

13 MR. ALEXANDER: When you're at home,  
14 do you have two lines? Is there a  
15 requirement?

16 MR. ANDERSON: It somewhat depends on  
17 which system you're under. We have two  
18 different communication systems. One is uses  
19 a structure called Centrex metaframe. There  
20 they have three telephone lines. We have a  
21 few people on DSL, and technically it's not

1 required to have two telephone lines when  
2 you're on DSL because you can receive calls  
3 and do computer communications on the same  
4 telephone line. And everything is moving over  
5 to DSL over the next couple of years. So, to  
6 answer your question, yes, an examiner will  
7 have a direct telephone line devoted to office  
8 business.

9           And on the question to on access to  
10 files, by the way, as we expand the amount of  
11 information in the tickers database, one great  
12 advantage of that is you no longer file them  
13 by only have a file wrapper available at your  
14 desk. It's a little bit like electronic  
15 searching makes records available anywhere.  
16 Tickers will make file wrappers available  
17 anywhere to multiple people at the same time.

18           So if an examiner at home and manager  
19 want to talk about a file wrapper over the  
20 telephone, they can pull it up on a computer  
21 screen and look at the actual information in

1 the file and both be seeing it at exactly the  
2 same time.

3 MR. ALEXANDER: Could everybody print  
4 it out?

5 MR. ANDERSON: Yes.

6 MS. LEE: This is Mary Lee. I just  
7 wanted to mention, in talking about the  
8 telephone thing --

9 MR. FRIEDMAN: I think as I pointed  
10 out last year and I could point out this year,  
11 we not only talk, he is very courteous, as the  
12 results show.

13 MS. LEE: And I will point that out  
14 when I talk to them.

15 MR. FRIEDMAN: Please do.

16 MR. ANDERSON: In fiscal '01, our  
17 target for staffing was 730 people on board.  
18 As I indicated before, our target for  
19 examining attorneys initially was 425. We're  
20 at 389 right now; technical support staff, 230  
21 right now; policy and management, 111; and

1 then contractor positions, 155, and that is  
2 actually up quite a bit.

3 We've just added a contract to do  
4 essentially legal document review clerk  
5 functions. Legal document review clerks are  
6 the people who move paper files around. We  
7 will still have some government LDRCs, but  
8 we've had a great deal of problem hiring  
9 people at that level recently because this job  
10 market is so tight. We were having to bring  
11 in temporary contractors to cover government  
12 positions, so we're now moving to a permanent  
13 contract.

14 Government LDRCs who are on board will  
15 stay on board. We have no intention of  
16 getting rid of these employees. As they leave  
17 the office, they will be replaced by  
18 contractors, or as they get promoted in other  
19 positions, they will be replaced by  
20 contractors. Many of our current LDRCs are  
21 term employees, which means that after a

1 certain point, your job ends and we can no  
2 longer keep you on board. We do have a few  
3 career conditional LDRCs, and we will not do  
4 anything to affect their job status with the  
5 Federal Government.

6 Total examiner staffing will continue  
7 to decrease through 2002 and 2003. We believe  
8 we'll have to start hiring again in 2004.

9 On examiner production, at the end of  
10 2000, we had 383 people on board; at the end  
11 of 2001, 389. Even though we hired a large  
12 number of people, we lost a large number of  
13 people. First actions for examiner in 2000,  
14 920; 2001, 1,162. 1,162 is partly due to the  
15 production award, partly due to the fact that  
16 a large number of our employees got promoted  
17 during the year, and partly due to the  
18 expansion of trademark work at home. A  
19 combination of factors has increased the  
20 number of first actions.

21 Average production points for examiner

1 when up from 1,746 to 2,092 for exactly the  
2 same reasons. Actions per hour, from 1.23 to  
3 1.28. I do want to stress these are  
4 preliminary numbers at this point, but we'll  
5 have final numbers in early November.

6 First actions up from 352 to 451.  
7 Total action point up from 688,000 to 813,000.  
8 And examining hours were up from 543,000 to  
9 635,000. The examining hour increase in and  
10 of itself accounted for some of this increase  
11 in production because our total system is run  
12 on hours. And that's all I have for 2001. If  
13 you have any further questions, I'll be glad  
14 to take them now.

15 MR. FRIEDMAN: On the job sharing, as  
16 you know, we haven't had much in the  
17 discussions of that, but for clarification,  
18 were you talking about two people who are  
19 currently working full-time going to 22 hours  
20 each or were you talking about two people who  
21 may already be part-time?

1           MR. ANDERSON: They could already be  
2 part-time in the office and we would allow  
3 them to work at home. We would also have  
4 considered doing a 30-hour week, but to do a  
5 30-hour week, it would take four people who  
6 agree to do a 30-hour week each, and that  
7 would reduce our staffing by the equivalent of  
8 one MPE, losing four 10 hours from four  
9 people. One aspect of this is the examiners  
10 involved will have to agree among themselves  
11 to do this.

12           We're not going to go out and tap  
13 people and say, okay, you're working 30 hours  
14 instead of 40. So they will have to make  
15 their own arrangement. If they do, then we  
16 will accommodate it by getting them lap tops  
17 and letting them work at home. The quid pro  
18 quo is you help us and we'll help you.

19           MR. ALEXANDER: On the closed session,  
20 you raised a question of whether or not the T-  
21 PAC ought consider a study of the reduction in

1 response time to six months. You're not going  
2 to do that?

3 MR. ANDERSON: Yes, it's been studied  
4 before. In my mind, it goes like this. I  
5 mean, the world has changed. Anne pointed it  
6 out this morning. I don't know exactly when  
7 the six-month response time came in. It goes  
8 back at least to 1946. In 1946, we didn't  
9 have fax, we didn't have the internet, we  
10 didn't have any type of high-speed  
11 communications. Most of the mail went  
12 overseas still by boat and came back by boat,  
13 so on and so forth. I mean, even with snail  
14 mail today, the bulk of it lies between  
15 continents. Telecommunications, if you watch  
16 cable news network now, you're getting video  
17 from Pakistan and Afghanistan by what's called  
18 video phone.

19 The techniques for communicating have  
20 changed substantially, and we're still dealing  
21 with the procedure that was established in

1 1946 based on how the world communicated in  
2 1946. I think a 30-day response time would  
3 finally be adequate.

4           And right away the comment goes like  
5 this. One of the companies who does a lot of  
6 electronic filing is Novartis, whose home  
7 parent company is based in Switzerland. And  
8 an examiner in the office used to work for  
9 Novartis, and we had a presentation in which  
10 he presented, and one of his comments went  
11 like this. They have an application they want  
12 to get filed in the U.S., but it has to be  
13 signed at that time by an officer in  
14 Switzerland.

15           They would fill out the application in  
16 the U.S., send it to Switzerland via email,  
17 have it signed, get it back and file it. And  
18 all of this took place in 48 hours or less. I  
19 mean, literally, you can do it in two or three  
20 hours, provided the Swiss officer is  
21 available.

1           If you can do all of that in two or  
2 three hours, I don't know why we're still --  
3 every time the question of reducing response  
4 time comes up, it's because of the attorneys  
5 who have to work with non-domestic filers on  
6 getting things signed and getting them to give  
7 an indication of what they would like to do in  
8 a case. Now, either law firms don't have  
9 telephones and computers or something else  
10 that's going on, it's just really fighting the  
11 issue in my mind. But if we're going to make  
12 the system work better, I think we have to  
13 take advantage of what's available to us.

14           MR. ALEXANDER: I think we'll take a  
15 10-minute break. We've got plenty of time to  
16 finish up because the last item on the agenda  
17 is me.

18           (Off the record.)

19           MR. ALEXANDER: Mary Lee is going to  
20 lead us off.

21           MS. LEE: I'm going to watch out at

1 the glazed looks when I give you more numbers  
2 and more data, you're all going (indicating).  
3 But what I'm going to talk about is just  
4 customer satisfaction results of 2001, with  
5 some surprisingly good news here.

6           If you look at the overall  
7 satisfaction for 2001, you can see that in  
8 trademarks, they increased five percent from  
9 2000. And the flip side of that is they kind  
10 of got back to where they were back in 1999.  
11 We've been doing these customer satisfaction  
12 surveys since 1995, and '95 through '98,  
13 things stayed pretty constant. In '99, there  
14 was a bump-up, 2000 you have this increase,  
15 but now things are back on track in trademark,  
16 so that's the good news.

17           I also want to point out that, along  
18 with the satisfaction rate, you have the  
19 dissatisfied rate. And only 13 percent of the  
20 overall customers are dissatisfied with the  
21 service they get, so I think that's the good

1 news. When we try to look at things that we  
2 can do to improve customer satisfaction, we  
3 usually focus on that neutral category, those  
4 folks that are kind of on the fence.

5 And so we have a larger portion of  
6 people that we could push up to the satisfied  
7 rate, if you will, and not a whole lot of  
8 dissatisfied customers out there, so that's  
9 the good news. Next slide.

10 One of the things we always do is look  
11 at the key drivers of overall customer  
12 satisfaction, one of those things that, if you  
13 really improve in those areas, you can improve  
14 overall. And there's a list of the key  
15 drivers. You can see that you have those that  
16 are sort of focused on the service element,  
17 directing you promptly to the right office  
18 when you call or return phone calls. Those  
19 are service-type things.

20 You have the quality of products, the  
21 clear written communications, the examiner's

1 position is clearly something that's going on  
2 the product itself. And then from overall  
3 timeliness issues. We've had a lot of  
4 information today on how much improvement  
5 there was in the timeliness issues in  
6 trademark, so you can see that in some of  
7 those areas they did really well.

8           When we see customer satisfaction  
9 rates of less than 60 percent, obviously  
10 that's something to really focus on. So there  
11 are some timeliness standards that did fall  
12 below 60 percent, and the 40 percent category,  
13 that's certainly something we need to worry  
14 about. And resolving problems in processing  
15 of applications or registrations within the  
16 seven days, that's 36 percent satisfaction.  
17 That's clearly something we need to worry  
18 about.

19           MR. ALEXANDER: What are we doing  
20 about that? I mean, some of those figures are  
21 really -- if we were a product business, we

100

1 wouldn't be in business very long with 55  
2 percent of your calls returned within one  
3 business day. I wouldn't have any clients  
4 left.

5 MS. LEE: I think you have to  
6 recognize that the customer satisfaction  
7 survey is just that. It's a perception  
8 survey, what's your perception of what's going  
9 on. And so this is not actual data. It's not  
10 we actually return 55 percent, but that's the  
11 perception.

12 MR. ALEXANDER: Do you do any tests to  
13 check that?

14 MS. LEE: I don't think trademarks  
15 does have, do you?

16 UNKNOWN: Not yet.

17 MS. LEE: In patents, they have actual  
18 tests, like a contractor calling you and  
19 testing the exact numbers of returned phone  
20 calls. The bad news there is that sometimes  
21 reality is worse than the perceptions.

1                   MR. ALEXANDER: We're supposed to be  
2 sort of guardians to the public, and I don't  
3 want to just scan over those figures because  
4 it seems to be the office ought to be doing  
5 some testing. You can contact 20 attorneys  
6 who have pending applications and ask them to  
7 run an amount on each call and find out what  
8 you're getting. There's really no reason not  
9 to do that. You've got a lot of people  
10 cooperating.

11                   MS. LEE: In the telephone survey that  
12 we do in the patent organization, and I think  
13 you'd model that in trademarks, what we do is  
14 they call and measure how many actually return  
15 the phone calls within 24 hours. But also  
16 they look at what the voice mail messages say.  
17 We've talked a lot about the flexible work  
18 schedules we have here. So if the employee  
19 that you get says my work schedule is Tuesday  
20 through Thursday, and you happen to be calling  
21 on a Friday or whatever, it will tell you the

1 schedule, and so you can expect that you may  
2 not get that phone call returned within 24  
3 hours if the person is on vacation or  
4 whatever. But at least you know when you can  
5 expect a phone call. So we're measuring a  
6 number of different things, not just the  
7 actual return.

8 MR. ALEXANDER: But we really don't  
9 have any statistics to show what they are, and  
10 it could be a lot of things, but we don't  
11 know, is what you're saying?

12 MS. LEE: Not in the trademark area.

13 MS. CHASSER: Can I add something to  
14 that? When you talk about our initiatives for  
15 the coming year for the customer management  
16 model, some of these issues that we addressed  
17 in that in terms of improving customer service  
18 but a lot of it has to do with lost files, and  
19 finding all of the information. The problem  
20 is trying to do an analysis to our customer  
21 service management model for that.

1           MS. LEE: I would also like to say  
2 that trademarks has every employee this year  
3 in customer service training, and one of the  
4 focuses of customer service training is to  
5 look at the data and, of course, this year it  
6 was the 2000 data, we now just have the 2001  
7 data, but focus on these areas where the  
8 employees need to pay closer attention in  
9 returning phone calls and all those awareness  
10 issues we've brought into play. That training  
11 didn't end until this summer, and this survey  
12 was taken around the same time, so we won't  
13 see the results of that until probably next  
14 year's survey.

15           MR. ALEXANDER: What I'm really  
16 focusing on is -- I think your answer is quite  
17 appropriate for this perception rather than  
18 reality. What I'd like to test is reality.  
19 If we're going to spend a lot of money on  
20 surveys, I'd rather have a survey that tells  
21 us what reality is rather than what the

1 perception is. Perception is important, don't  
2 misunderstand me. But that's more a public  
3 relations type thing.

4 And whatever firm does the survey work  
5 can readily I think in a projectable setting  
6 of actual customers calling and finding out on  
7 a random basis, which is projectable, what the  
8 real situation is. And setting aside Tuesday  
9 and Thursday, but if somebody was in the  
10 office every day and you're getting 55  
11 percent, those people are receiving bonuses of  
12 some sort or anything else, is it appropriate?  
13 You can actually identify the people as well  
14 as the projectability. And I would urge  
15 whoever is dealing with quality to consider  
16 something that's more solid than perception.

17 MR. PIRKEY: Would it be better to ask  
18 a question like, were your calls returned in a  
19 time that was reasonable to you, not within 24  
20 hours. To me, I don't really care if my call  
21 is returned within 24 hours, so long as you

1 return it in 48 or 72.

2 MS. LEE: One of the things the survey  
3 does is try to ask the same questions year  
4 after year so we can send them and do some  
5 comparison. We set customer service standards  
6 back in 1994. And, actually, when we talked  
7 about some of the timeliness issues, we did  
8 change the questions in the 2001 survey to  
9 reflect the fact that the standards that were  
10 set didn't necessarily reflect reality and we  
11 needed to ask different questions. So we do  
12 have new data that we can't compare to last  
13 year's data in that sense.

14 But basically one of the things that  
15 we do, we look at the survey every year and  
16 decide whether or not the question is right,  
17 should we ask it in a different way. But as  
18 soon as you ask it in a different way, you  
19 lose your ability to compare. Next slide.

20 One of the things we wanted to focus  
21 on this year was talk about the things that

1 showed the greatest improvement. And you can  
2 see that, between 2000 and 2001, there were a  
3 number of areas that had significant  
4 improvement. The top four or five really deal  
5 with the timeliness issues and mailing filing  
6 receipts and getting return postcards, those  
7 kinds of things had tremendous improvement.  
8 Overall satisfaction also increased five  
9 percent, which is a statistically significant  
10 improvement, so that's good news.

11 The other thing we look at in those  
12 things where you have statistically  
13 significant declines, if you will, things that  
14 went down more than five percentage points.  
15 The first one, appropriateness of refusals is  
16 really a quality of the product issue. And  
17 going from 45 down to 38 percent is something  
18 that is certainly a red flag for the trademark  
19 organization and they're focusing their  
20 attention on.

21 The next one went from 91 down to 85,

1 which is a decline that you need to be aware  
2 of and conscious of, but 85 percent  
3 satisfaction is still a good number. So if  
4 you're going to focus your attention, I think  
5 you'd focus it more on the first at issue  
6 there than the second one.

7           Some of the other issues, adequacy of  
8 the explanation or reason in the office  
9 action. Again, that 62 percent is something  
10 that we need to focus our attention on.  
11 Fairness of examination, down at the bottom.  
12 They're above the 60 percent range, but  
13 they're still declining, so I think those are  
14 the kinds of things that the trademark  
15 organization, and Lynne will probably talk  
16 about it in her quality perception survey,  
17 that's the kinds of things to pay attention  
18 to.

19           This slide just shows you what I was  
20 talking about when I said we try to compare  
21 from year to year so we can see how we're

1 doing as an organization. And in 1998,  
2 everything that they asked, there was an  
3 improvement, 100 percent improvement on every  
4 single question. And some of the questions  
5 changed over the years, based on the kinds of  
6 things that I was talking about. But you can  
7 see that this year, from 2000 to 2001, we've  
8 only had 41 percent improvement in the number  
9 of questions that had improvement, and about  
10 51 percent were unchanged.

11 MR. NICHOLSON: Do you have any data  
12 on what percentage of the respondents filed  
13 electronically? Are there any that were filed  
14 electronically?

15 MS. LEE: Yes, we do have that data.  
16 I didn't bring it with me, but we do ask that  
17 question.

18 MR. NICHOLSON: So when you selected  
19 your respondents, how did you select them?  
20 Was it a filing correspondence?

21 MS. LEE: It was randomly selected

1 from our mailing list.

2 MR. NICHOLSON: It's not the  
3 applicant, necessarily? The filing  
4 correspondent is the law firm?

5 MS. LEE: If it's a law firm, it could  
6 be there. And we have all the demographic  
7 information. When we put out the final  
8 results in a form like this and mail it out to  
9 everybody, it will have all the information,  
10 every question, all the demographics, and  
11 you'll be able to see all that. This is just  
12 kind of some preliminary data.

13 MR. ALEXANDER: Do you break it out  
14 between electronic filings and nonelectronic  
15 filings? In other words, see if satisfaction  
16 is higher under the electronically filed?

17 MS. LEE: We can do that, yes.

18 MR. ALEXANDER: Can or we do?

19 MS. LEE: We will do that. We haven't  
20 done it yet. We haven't completely finished  
21 all the crunching of the numbers from the

1 survey yet.

2 MR. ALEXANDER: It could be very  
3 revealing if the electronic filings were 80  
4 percent satisfied and everybody else was 20  
5 percent and your average is 50.

6 MS. LEE: Yes, we're hoping to see  
7 that, actually. That way we can encourage  
8 more people to electronically file.

9 MR. ALEXANDER: When will that report  
10 be out?

11 MS. LEE: I think we're expected to  
12 have it -- we won't have the actual report to  
13 mail out to our customers or send out to our  
14 customers probably until January, but we'll  
15 have it all electronically completed on our  
16 web site within the next month or so. I don't  
17 have an exact date.

18 We have a bunch of surveys going on  
19 right now, employee surveys, customer surveys,  
20 and crunching a lot of different numbers. If  
21 we look at overall the strength of the

1 organization, you can see that they fall under  
2 a number of different categories. Customer  
3 service and customer courtesy is certainly one  
4 of the areas that certainly a strength.

5 Directing customers promptly to the office or  
6 person, although it declined, is a strength,  
7 and the ability to provide accurate answers to  
8 questions seems to be a strength for the  
9 organization.

10 Document accuracy, a number of areas  
11 came out very high in the survey. Timeliness  
12 issues again came out high. And, again, some  
13 of those, we did change some of the questions  
14 because the standards were a little different.  
15 In 2000, for example, they asked the question,  
16 how satisfied are you with getting your final  
17 dispositions in 13 months. In 2001, they  
18 changed the number to 19 months, so, clearly,  
19 people are much more satisfied. Now you could  
20 probably ask 13 months, the same number of  
21 people would be satisfied because of the

1 changes in the actual pendencies in the  
2 office.

3 The examination quality issues, you  
4 see there's a lot of strengths in the area of  
5 clearness of the office actions themselves and  
6 the searches, use of telephone to deal with  
7 examination issues, things that you were  
8 talking about before. Customers are very  
9 satisfied with the fact that the examiners do  
10 pick up the phone and call and do a lot of  
11 telephone communications. So that's the good  
12 news.

13 MR. FRIEDMAN: I guess right now --  
14 the one on page 5. I guess what you're saying  
15 is it's a strength, but it's less of a  
16 strength now that it was in prior years?

17 MS. LEE: It's declining. It's  
18 something we need to watch. It's certainly  
19 still a high satisfaction rate, but going  
20 down. So any time you have something that's  
21 going down, you need to focus your attention

1 on it. Our recommendation is you focus your  
2 attention on these areas of improvement,  
3 again, some of the timeliness standards. And,  
4 again, this is a perception survey, so even  
5 though, in reality, when we mention things  
6 like responses to amendments within 35 days,  
7 the reality might be that we're doing a really  
8 good job there, but at the time of this  
9 survey, the perception was that this is an  
10 area needed improvement.

11 The examination quality, the  
12 appropriateness of the refusals, the  
13 appropriateness under 1052(d) and (e), and the  
14 consistency of the examination, these are two  
15 areas that came out as needing improvement,  
16 sufficiency of the evidence. So even though  
17 it was a strength that the examination process  
18 had clear written communications with the  
19 applicant, some of the quality issues around  
20 appropriateness and consistency certainly  
21 needed to be improved.

1           Problem resolution, again, shows up  
2 every year as an area that we need to focus  
3 our attention on. We do a good job of solving  
4 your problem if you call us and we put out  
5 that particular fire, but we're not doing the  
6 root cause analysis to stop the problem from  
7 reoccurring, so we have an awful lot of our  
8 customers that, in fact, do have problems with  
9 lost papers or lost cases, and we need to do a  
10 better job of resolving those problems.

11           And, again, returning phone calls  
12 within one business day had a satisfaction  
13 rate of 55 percent is an area that we need to  
14 focus on. I will say that when patents really  
15 focused their attention on that a couple of  
16 years ago in their customer service training,  
17 they had a drastic increase, and Mary had just  
18 finished customer service training after this  
19 survey was done, so hopefully she'll see the  
20 same bump-up in trademarks next year.

21           And that's kind of quick overview.

1 All the data will be out, like I said, on our  
2 web site. Are there any other questions that  
3 I can answer?

4 MR. ALEXANDER: Do you cross-check the  
5 internal examination as to quality in  
6 perception? And how do they compare?

7 MS. LEE: Well, if you look at our  
8 quality review statistics, it's error rated  
9 probably around four, five, six percent and  
10 changes in that range. So if you look at the  
11 perception, the perception obviously says that  
12 the error rate should be much higher than  
13 that. But I think it's the consistency of  
14 examination that would be seen throughout both  
15 the patent and the trademark organization, and  
16 because it's a perception survey, if you have  
17 one bad experience, it might flavor the entire  
18 process. You might have had 10 great  
19 experiences, but you still might give a  
20 negative result.

21 When we look at this, we try to weigh

1 all of the different pieces of information  
2 before we say what the overall quality of  
3 products and services are, not just one piece  
4 of information that was taken into  
5 consideration.

6 MR. ALEXANDER: Thank you. Lynne.

7 MS. BERESFORD: Thank you very much.  
8 I'll try to be brief. First slide.

9 We report to you at every meeting how  
10 we're doing in terms of the results from our  
11 office of trademark quality review. And the  
12 number that you see here, clear errors, were  
13 at 4.8 percent. That is a cumulative for  
14 three quarters. We do not have the final  
15 figures for the year. I believe that, at the  
16 mid year, it was at 4.8 percent, and I believe  
17 our missed references error rate, that's  
18 section 2(d), stayed at 2.7 percent. And,  
19 again, the percentage of missed references has  
20 nearly doubled from the 1.4 percent reported  
21 in the first quarter.

1           One of the things that we've talked  
2 about is the -- at the beginning of the year  
3 when we had a situation where our customer  
4 survey perception of quality was going down  
5 and our office trademark quality review was  
6 our clear errors and our missed reference rate  
7 was going up. And so I guess -- that's the  
8 bad news.

9           The good news is now our quality  
10 survey and office of trademark quality of  
11 review results are both tracking each other  
12 and going in the same direction.  
13 Unfortunately, they're both increasing, which  
14 is not the direction we want them to go in to.  
15 Next slide.

16           And here is, again, a reflection of  
17 the quality survey, so some of this has  
18 already been talked about. I've already  
19 talked about the percentage of error rates.  
20 There are our targets and there's where we are  
21 at 4.8 percent. And, again, trying to get a

1 handle on quality this year and recognizing  
2 that what the office of trademark quality  
3 review is measures quality for a very large  
4 database of cases that are over a period of  
5 several -- that show quality over a period of  
6 several years.

7 Changing that number is going to take  
8 time simply because we're not measuring  
9 current quality in that particular number.

10 And here we have again -- I reported this last  
11 time, so I'm reporting it again this time --  
12 the percent of customers reporting  
13 satisfaction with clear written communication,  
14 even though it's not consistent, perhaps, or  
15 they don't like what we've said to them, they  
16 are pleased. We're almost at our target that  
17 the communications are clear.

18 OG information, we are not meeting our  
19 target there on correct OG information.  
20 Satisfaction overall has gone up. And the  
21 percentage of customers satisfied with

1 returning phone calls, Mary Lee already talked  
2 about that. That too has improved from last  
3 year, but isn't where we'd like it to be.  
4 Next slide.

5 The two quality issues that really I  
6 think are the big issues we have to look at is  
7 solving problems and correcting mistakes takes  
8 too long. So that was one issue that kind of  
9 affects the overall quality of our product.  
10 And the second big issue is the  
11 appropriateness and consistency of the section  
12 2(d) and 2(e) refusals.

13 Now, next slide, I'm going to start  
14 looking at some of the quality initiatives  
15 that we're putting in place this year to  
16 address these issues. And I think it's safe  
17 to say that last year, the majority of our  
18 efforts were focused from the beginning of the  
19 year when we were looking at a huge backlog  
20 and anticipating a huge number of filings. We  
21 focused most of our effort on production.

1           This year we are in an entirely  
2 different circumstance, and I think it's safe  
3 to say that this year, we're going to focus a  
4 lot of our efforts on improving quality. And  
5 these quality initiatives, I just wanted to  
6 list some of them here and talk a little bit  
7 about what we're going to be doing and some of  
8 the things that we have done. Last time I  
9 spoke, we were talking about a memo on service  
10 mark specimens has actually been distributed.  
11 There's a quality review memo. Again, I thank  
12 you office of trademark quality review.

13           They prepared a memo on disclaimer  
14 practice to try to make sense out of  
15 disclaimer practice. That's under review  
16 right now and should be distributed soon. We  
17 prepared the training materials for section  
18 2(e)(1) and 2(d) training. That training will  
19 begin next month, and it will be done on a law  
20 office by law office basis. We've tried to  
21 set it up so that it's not talking heads.

1 It's going to be examples, and it's going to  
2 be in small enough groups that the examiners  
3 and the seniors and the managers can ask  
4 questions and get their questions answered in  
5 an attempt to begin looking at the 2(d) and  
6 2(e) issues. And by providing the same  
7 training to every law office, we're hoping  
8 that will be at least a start on looking at  
9 consistency.

10 MR. ALEXANDER: Lynne, when you say  
11 examples, do you take examples out of the  
12 files and review them as opposed to  
13 hypothetical examples?

14 MS. BERESFORD: Well, Sharon has  
15 worked on the cases, so I'll let Sharon answer  
16 that question.

17 MS. MARSH: Sharon Marsh, USPTO. We  
18 started by taking a sampling of actual  
19 applications and just reviewing those and  
20 pulling out the ones that we thought were  
21 inappropriate refusals and using some of those

1 as examples. But we then expanded it because  
2 we pretty quickly get the idea of where the  
3 problems are, and so we thought up  
4 hypothetical examples to demonstrate certain  
5 issues.

6 MR. ALEXANDER: And use them both or  
7 just the hypothetical examples?

8 MS. MARSH: Both. And it will all be  
9 presented as hypotheticals.

10 MS. BERESFORD: Thank you very much.  
11 Larry?

12 MR. ORESKY: I have a question for  
13 you. What makes management think that it's an  
14 issue of training as opposed to the people  
15 knowing what they should do but not having  
16 enough examining time to do it?

17 MS. BERESFORD: In terms of  
18 consistency and appropriateness of  
19 examination?

20 MR. ORESKY: No. The solution you had  
21 is training. And I don't know if this is true

1 in the trademark area. Obviously, I don't  
2 know as much about that. But I know at least  
3 in the court, there's an issue of how do you  
4 solve the problem of consistency because we  
5 have results that says consistency is an  
6 issue. And the question is, is it that the  
7 examiners know what they should do, it's not  
8 that they don't know how to apply 102 and 103  
9 in the patent sense, but that they don't have  
10 the time to do it.

11 I was wondering if there's a similar  
12 issue in the trademark area.

13 MS. BERESFORD: Well, I certainly have  
14 not heard that perception apply to the issues  
15 of consistency and correctness of refusals.  
16 No one has ever said that to me, so that's  
17 certainly not my perception. Yes, Sharon.

18 MS. MARSH: Sharon Marsh. I think,  
19 Larry, in trademarks, we have hired so many  
20 new people in the last couple of years that we  
21 think part of the problem is just an

1 experience issue. They're trained, but it  
2 takes doing the work for a period before you  
3 get truly consistent. I think that's part of  
4 the problem.

5 MR. ALEXANDER: Is there any way of  
6 measuring the error rate of new people  
7 vis-a-vis the error rate of experienced people  
8 who increased their production?

9 MS. BERESFORD: We don't currently do  
10 that, no. And in some sense, because of our  
11 hiring situation, we will be -- our whole  
12 corps has been aging like fine wine, one could  
13 say, getting more experience. And if our  
14 filings don't change rather drastically going  
15 up, we are going to have a continually aging  
16 and more experience corps. So I think the  
17 issue of consistency because of lack of  
18 experience is one that's going to the policy  
19 to be looked at, given the actual situation in  
20 trademarks.

21 MR. ALEXANDER: What process do you

1 have to identify a bad egg that's bringing  
2 everybody's average down? With a 40 percent  
3 error rate, when everybody else is making a 4  
4 percent error rate so everybody goes up to 7  
5 percent, is there a way of identifying them  
6 and getting rid of them?

7 MS. BERESFORD: We certainly do. The  
8 performance appraisal plan requires that  
9 managing attorneys or senior attorneys review  
10 a certain percentage of every attorney's work  
11 up to a certain grade, GS-13. And there are  
12 also other things that are reported in the  
13 request for jurisdiction, OG bounces, T-PACs,  
14 things that come back from the Office of  
15 Trademark Quality Review, all of these things  
16 can bring to the managing attorney's attention  
17 the quality performance of the examiners in  
18 charge.

19 MR. FRIEDMAN: They're all good eggs,  
20 just once in a while there's a crack or two in  
21 some of them, then we try to fix it. But on

1 the larger issue that Larry had raised, I know  
2 this is a labor management issue, but it was  
3 raised and I was going to raise it anyway, and  
4 it would have been nice if the whole committee  
5 had still been here. But, you know, it's a  
6 very simple concept. It's time. How much  
7 time do we or, in Larry's case, does POBA have  
8 or in Virginia's case to work on a case. In  
9 our case, depending on the grade level --  
10 we've had this discussion before, but I think  
11 it's still worth bringing up because it is a  
12 terribly hot button issue for us, and I'll  
13 tell you why even more so in a minute.

14           You know, depending upon the grade,  
15 you either have between 45, 50 or 60 minutes.  
16 As I've said in recent weeks, and will  
17 continue to say, you know with the bonus being  
18 taken away production-wise for the first six  
19 months, and with the fact that, as Lynne has  
20 pointed out and Mary Lee, there are a clearly  
21 to be issues regardless of what the reasons

1 were, whether it's consistency or whatever,  
2 there are quality issues.

3           It's been pointed out that apparently  
4 we're not returning the phone calls as quickly  
5 as we may have in the past. It's been pointed  
6 out earlier that, back on that other comment  
7 as far as not returning them in the past, also  
8 suggests, to go back to another question that  
9 you had, that I think our people are getting  
10 more phone calls. There's been a number of  
11 pro se's, there's been a lack of matching  
12 files to papers, which has engendered more  
13 calls to our people. We only have a limited  
14 amount of time to do certain things.

15           We've learned today that pendencies  
16 are 2.7. And, as I've said and will continue  
17 to say, if we're focussing on trying to make  
18 sure that we watch everything people are  
19 examining, how much they're examining during  
20 this critical period, when we're trying to  
21 utilize our resources, you know, there is

1 going to be this tension between us and the  
2 office when it comes to the production range  
3 because there are things that we think we  
4 should be focussing on, whether it's quality,  
5 which I think we all agree is a matter of how  
6 we focus on it, do we reduce production  
7 standards, do we give more time,  
8 non-production time. There are customer  
9 service issues we think need to be resolved  
10 and, particularly during this six-month  
11 period, where we don't have even a production  
12 bonus, I'm having a very difficult time trying  
13 to explain to my bargain unit why somebody  
14 should be given a certain amount of points for  
15 this first six months.

16 MR. ALEXANDER: I'm having trouble  
17 with the product bonus aspect of this. They  
18 say that the production bonus resulted in  
19 people who had too much work in too short a  
20 period of time?

21 MR. FRIEDMAN: Well, I think both -- I

1 mean, Anne has gone on record as saying, and I  
2 agree, there's nothing wrong with agreeing  
3 with this, is that to some degree we were a  
4 victim of our own success at a time when  
5 people were producing more points, either on  
6 an hourly basis or just by the number of hours  
7 they examined, because people were examining  
8 more hours than ever, we pumped out more files  
9 than ever at a time unfortunately that filings  
10 also happened to start going down.

11 I would suggest to you that, even if  
12 filings hadn't gone down as much as they have,  
13 but because of the number of files that we  
14 pumped out, it did have an impact. We ate  
15 into the new cases that previously we had had.

16 MR. ALEXANDER: And that's where my  
17 question really goes to. Was there not enough  
18 time allocated to the review process or the  
19 processing of an application, first action,  
20 second action, would be scattered too short a  
21 period of time to do a quality job?

1           MR. FRIEDMAN: Well, there's a million  
2 reasons, eight hundred thousand of which Lynne  
3 has already covered, as to what are the  
4 variables when it comes to light clear error  
5 rates that might have gone higher. But the  
6 bottom line is they have gone higher. I think  
7 it's safe to say -- here it would be  
8 disingenuous for me to say that the rates,  
9 that the 4.8 percent clear error rate was  
10 solely because of production scale. On the  
11 other hand, I would like to think that if the  
12 production rate was lowered or something else  
13 was taken into account, that, that rate would  
14 have been lower. I surely don't think that  
15 would have been higher if we had less or more  
16 time to examine. I think that is a fair  
17 statement to make.

18           Are there other factors that cause the  
19 clear error rate to go up? Well, absolutely,  
20 including the hiring of a number of new  
21 attorneys and so many other issues we've

1 talked about. But, you know, there's always  
2 been this push to get pendency down. That's  
3 what the focus of this committee has been  
4 working on since we started it. And, for a  
5 number factors, for a number of reasons, it's  
6 been one of the focuses. We're now at 2.7,  
7 and we've still got 300-plus examiners  
8 producing at a certain rate except they're  
9 going to be producing at a certain rate at a  
10 time where, for the first time, I don't know,  
11 in 10, 20, 30 years, we don't have the  
12 production volumes to go with it.

13 So, you know, it's part of the  
14 difficult thing that I face and our executive  
15 board faces when we are trying to sell people  
16 to do work and to do it at a certain level and  
17 yet they don't get a bonus for it. And at a  
18 time where error rates are higher, you know,  
19 there's customer resolution issues that have  
20 been pointed out, there are quality issues,  
21 there are training issues, and we're now at a

1 point where pendency was finally under  
2 control.

3 MR. ALEXANDER: Well, let me say for  
4 myself, and I can't speak for anybody else,  
5 but if you gave me a choice between a pendency  
6 rate with a superior quality or a time or  
7 pendency rate with an inferior quality, it  
8 would be a no-brainer. I don't think our  
9 focus is really on pendency rate, at least  
10 mine is not.

11 I assume, when the quota system was  
12 adopted, that it was acceptable to the  
13 examining corps in terms of whatever the  
14 standard was before you get to a bonus. If it  
15 was not and if people felt they were pushed to  
16 examine files too quickly, I would really like  
17 to know it because our goal is not to just  
18 make things fast and turn out a less than  
19 quality product. I guess I ask what do you  
20 think should be done about it?

21 MR. FRIEDMAN: Let me go back, before

1 I answer that question, let me go back to  
2 something you said because we, obviously, had  
3 signed off on the bonus plan, so we thought it  
4 was something that was reasonable as evidenced  
5 by the number of people who hit whatever  
6 target they wanted to hit, as evidenced by the  
7 fact that because of them, we don't have a lot  
8 more points, I think it was a mainline success  
9 for both people in our examining corps and our  
10 office.

11 The point I was trying to hit home  
12 with but then got lost in the shuffle is it's  
13 been made clear that appropriateness is not on  
14 the table during this six months and yet,  
15 conceivably, people are going to still have to  
16 hit whatever production goals they need to hit  
17 to be outstanding under their performance  
18 appraisal plans. Most of the people are doing  
19 that, as has been evidenced year in and year  
20 out, when it comes to their overall rating.

21 But it's different when it comes to

1 their production rating to achieve or work  
2 toward 110 percent of their goal. And I don't  
3 know, at least under the current environment,  
4 even without the bonus, I don't see people  
5 doing less than that unless we come up with a  
6 plan that tells people there really isn't any  
7 need to do 110 percent during this first six  
8 months.

9 MR. ALEXANDER: I guess what troubles  
10 me is I don't think the bonus ought to be  
11 determining what is an adequate amount of time  
12 to handle a file. If you handle 110 files,  
13 you get a 10 percent bonus, and that's the  
14 acceptable number of files to handle. Then  
15 you suddenly stop getting the bonus, handling  
16 110 files doesn't become something which you  
17 don't have enough time to do. You don't have  
18 an incentive perhaps to do it, but it's not a  
19 matter of lack of time.

20 And what I'd like to just find out is  
21 whether there is an excessive requirement

1 being placed on examiners in the time  
2 standpoint. And if they were churning out too  
3 much to get a bonus, I'd like to know that  
4 too. If they reduce their quality to reach  
5 the bonus because it's too heavy a burden and  
6 there wasn't enough time, then the bonus  
7 system is wrong because there's 14 people who  
8 put out superior work and one of them gets  
9 more money. And if that's the case, I'd like  
10 to know it. If it's not the case, then it's  
11 not the time that is affecting quality, it's  
12 the logic of it anyway, maybe that's the  
13 reality. If I'm off on that assumption,  
14 you're probably the best one to tell me.

15 MR. FRIEDMAN: Well, I'm not in any  
16 better position to know than those who work  
17 here, whether the bonus system caused people  
18 to increase the error rate. I don't think  
19 there's anybody --

20 MS. CHASSER: Unfortunately, the way  
21 our quality review is conducted, it normally

1 works after two years out because of the IT or  
2 whatever, it's automatically triggered by  
3 transactions. That's why one of the  
4 initiatives that we're looking at this year  
5 and we're going to be able to move it forward  
6 quicker because of our extra help is the  
7 concept of an excellent first action, which  
8 Lynne will go into as she continues her  
9 presentation.

10 MS. BERESFORD: One of our other  
11 quality initiatives here is we're going to  
12 have a detail, which means we're going to have  
13 five attorneys from the examining corps' work  
14 in the Commissioner's office to benchmark the  
15 excellent first action, something we tried to  
16 do last year, but we didn't have the staff to  
17 do it, either in the office of trademark  
18 quality review or internally.

19 And we think that, if we look at  
20 hundreds of first actions, we will be able to  
21 look at the issues of consistency and

1 correctness and sufficiency of the evidence of  
2 first actions, all issues that were raised by  
3 our customers error quality survey.

4 This slide doesn't say this, but that  
5 same group of attorneys are also going to be  
6 looking at all final refusals that are  
7 withdrawn after a request for reconsideration.  
8 And the reason we're going to be looking at  
9 those is we think it's a small enough universe  
10 so we can look at all of them, A, and, B, one  
11 of the things we've heard distantly from some  
12 parts of the bar is that we make refusals,  
13 even final refusals that are not well-founded.

14 So we want to look at our first action  
15 practice and our final refusal practice to see  
16 if we can figure out are there some standards  
17 we could set that would make those parts, the  
18 beginning and the ending of the examining  
19 process better. Next slide.

20 We also will have a work project  
21 that's going to provide an update on form

1 paragraphs to make them consistent with some  
2 of the changes that have taken place in the  
3 law and in practice. We have hired a new  
4 supervisor into the trademark assistance  
5 center, and we this has taken us a long time  
6 to get the approval from downtown for this  
7 position, and we think this is going to really  
8 allow the trademark assistance center to take  
9 off this year and not just be the phone  
10 answering service that it's been. But we're  
11 going to be adding personnel, including an  
12 examining attorney to start root cause  
13 analysis, to create the database, to show what  
14 the problems are, to look for trends in  
15 problems, to show how they're solved, and see  
16 if we can prevent them in the future rather  
17 than having a continuing problem solving  
18 exercise going on.

19 We're also preparing services manuals  
20 for the trademark service areas. We've  
21 already prepared one for post-registration.

1 This will be post-registration, ITU, pre-exam,  
2 PUB and issue. We'll actually have what I'd  
3 like to think of a little mini TMEPs for them  
4 to standardize their practice and to give them  
5 guidance in what they do. A lot of what  
6 happens in trademark services is taught from  
7 one person to the next, and there's some lack  
8 of consistency in what trademark services  
9 does.

10 So we feel very fortunate this year  
11 that we're going to have the time and the  
12 personnel to devote to our service areas, to  
13 giving them more attention to bringing  
14 consistency to their work. Next slide.

15 And, finally, I can't emphasize enough  
16 that e-filing means improved data quality.  
17 Next slide, new topic, federal register  
18 notices.

19 MR. ALEXANDER: Before you leave the  
20 other topic, why did we limit the clear errors  
21 to section 2(e) -- excluding 2(d)?

1 MS. BERESFORD: Because we have a  
2 separate measure for 2(d). We will start this  
3 year with a combined measuring. We're still  
4 trying to figure out exactly what Anne wants,  
5 the quality index number. We are in  
6 discussions about whether our first action  
7 number should be part of that, whether our  
8 Board should be part of that, what role the  
9 office of trademark quality review numbers  
10 should play. We're looking for a quality  
11 index number, and with that, we will start  
12 hopefully reporting this year.

13 MR. ALEXANDER: If you had to guess  
14 and they were combined with the 2(d), what  
15 would you say the clear error rate would be  
16 for 2(d) and everything else?

17 MS. BERESFORD: Well, you can just add  
18 the two numbers together. And I think at the  
19 quarter, they were 4.8, 2.7.

20 MR. ALEXANDER: Those are two rates  
21 that are different. I don't have any

1 applications that 2.7 came from relative to  
2 the 4.8.

3 MS. BERESFORD: Well, they're all the  
4 same applications being reviewed for different  
5 reasons. Any more questions on trademark  
6 quality? I'm sorry to have rushed on to the  
7 federal register notices.

8 Our mandatory electronic filing, also  
9 called mandatory electronic filing notice,  
10 closes on 10/29, and you comment by sending us  
11 written comments, you can email us. We've  
12 gotten a lot of emails commenting on our  
13 electronic filing notice.

14 And as earlier in the morning was  
15 eluded to, we had on October 12 a public  
16 hearing to accept oral comments on that  
17 federal register notice. And we had three  
18 groups testify at that -- three people testify  
19 at that oral hearing, AIPLA, Helen Minsker  
20 representing AIPLA, presented, then INTA,  
21 Barbara Friedman presented for them, and then

1 there was a presentation that combined some  
2 preliminary ABA thoughts with some thoughts  
3 from Arnold and Porter and Hershey Foods. And  
4 those were the only three commenters at this  
5 public hearing, which was pretty well  
6 attended.

7           And let me just summarize quickly some  
8 of the comments that were made after the  
9 hearing. In general, I think all three  
10 presenters support electronic filing. All had  
11 doubts and reservations about so-called  
12 mandatory electronic filing. AIPLA made a  
13 suggestion that we refine our idea of what  
14 accessibility to the internet means and  
15 broaden that concept to include situations  
16 where the computer at the law firm is down,  
17 the server is down, whatever, to also be  
18 situations where you don't have accessibility  
19 to the internet. Those kinds of things aren't  
20 covered right at the moment.

21           All three presenters talked about the

1 payment options, they would like more payment  
2 options. And we heard Bob talk about there  
3 will be more payment options. And all of them  
4 talked about the accounting aspects of  
5 electronic filing. They want to have some way  
6 of tracing a particular payment to a  
7 particular application or registration file.  
8 And, again, we're going to be dealing with  
9 that in the near future.

10 There was some discussion about the  
11 difficulty of applying signature to the  
12 application. The office has done a number of  
13 things to deal with that, and we will continue  
14 to look at that particular issue.

15 There were a couple of comments about  
16 attaching images and specimens electronically.  
17 And, again, I think without real specific  
18 information from -- and if these are any  
19 issues that speak to you -- specific  
20 information in these areas would be extremely  
21 useful because to have someone say our

1 specimens are distorted or drawings are  
2 distorted and not have any specific  
3 applications we can look at to try to figure  
4 out if there really is a problem, our  
5 perception, our anecdote perception and our  
6 perception for dealing with the problems we've  
7 had thus far are things that happened with the  
8 applicant, scanning something with gray tones  
9 or doing something else that just doesn't meet  
10 our drawing requirements. So if you are  
11 thinking individually or your organization  
12 about commenting, specifics would be useful.

13 XNL technology was mentioned, we're  
14 going to be implementing that. A couple of  
15 presenters mentioned that loss of electronic  
16 filings. As far as I know, we haven't  
17 actually ever lost any electronic filings.

18 Bob, correct me if I'm wrong. Have we?

19 MR. ANDERSON: No.

20 MS. BERESFORD: The problem is,  
21 sometimes we have them and print them and put

1 it in the file and then don't process them  
2 like we sometimes do with paper. So we're  
3 working on trying to make sure that, that  
4 can't happen anymore. We're putting fixes in  
5 for that.

6 And there was also some discussion of  
7 being able to enter free-form text and some  
8 other just kind of minor things. Those are  
9 the major comments, and Bob has already talked  
10 about those, our fixes on those.

11 We also have a federal register  
12 notice. It's not ours, it's CIO's federal  
13 register notice to help to plan or move paper  
14 search files. That particular notice closes  
15 on October 29. And all of these notices, by  
16 the way, are at the USPTO web site. Just  
17 click on notices. It's very easy to get to.  
18 We also have the international trademark  
19 classification changes. It was published on  
20 9/20. And that adds three new international  
21 classes to the international classification.

1 This is three new service classes, so that  
2 would be classes 43, 44 and 45. And we, in  
3 fact, did some training on that last week with  
4 the entire trademark organization to start the  
5 ball rolling so people will understand what  
6 goes into those classes and what comes out of  
7 old classes, etcetera.

8 And I thought you'd be interested. I  
9 know that committees had some questions about  
10 the official insignia of native American  
11 tribes. That was published on August 28,  
12 saying that we would start accepting and  
13 recording official insignia. And, at this  
14 point, we have no request for recording  
15 official insignia. So, at this point, there's  
16 nothing to say about that.

17 And, finally, not on this slide, but I  
18 do want to mention it, is all of our notices  
19 re the mail issues that are germane to the  
20 September 11 events are also all on our web  
21 site with a special icon, telling you what to

1 do if your post office, which some post  
2 offices did, refuse to take express mail for a  
3 few days and you want to file by express mail,  
4 and you couldn't get the post office to accept  
5 it, the procedures for that are all on the PTO  
6 web site. There's a notice there to that  
7 effect. Next slide.

8 We are in the internal review process  
9 to clear a request for comments on a change in  
10 disclaimer practice in the office, asking our  
11 bar associations and trademark owners whether  
12 or not the requirements that the office makes  
13 to disclaim descriptive matter should be  
14 stopped, that we no longer need to do that.  
15 We're always looking at our prospects to see  
16 what we do, whether it adds value to that  
17 final registration certificate that comes with  
18 a product. And because of the rather  
19 difficult area of law that's developed over  
20 disclaimer practice and all the disclaimer  
21 practice and some of the lack of understanding

1 of disclaimer practice, we're beginning to  
2 wonder if it has a value.

3 In our notice, we're going to suggest  
4 that, although we will continue to allow  
5 people to voluntarily disclaim, the office  
6 itself will get out of the business of  
7 inquiring disclaimers. This will make our  
8 examination process more efficient, of course,  
9 because it's going to take a lot of work out  
10 for us. And we don't know whether the bar  
11 think that's an important thing to do. I  
12 suspect that will be published in the next  
13 month.

14 And, finally, we're going to publish a  
15 short notice, probably an OG notice, on  
16 cancellation notices, what we do to explain  
17 our practice on the canceled registrations,  
18 because we do a variety of things and we've  
19 had some questions from the bar, a bit  
20 confused about how we do things. So it will  
21 just be a notice explaining our current

1 practice. Next slide.

2 We often get questions about  
3 petitions, so I thought I would do a little  
4 report on petitions. Petitions to revive  
5 under 2.66, the unintentional standard.  
6 Looking at our TRAM records, we discovered we  
7 have had 8,566 of these filed this year that  
8 are in TRAM, but they don't get in TRAM until  
9 the paper is an actual file, so we have 300-  
10 plus papers that we also haven't matched. So  
11 we've had a tremendous amount of these  
12 filings. We've processed 5,300 with grant,  
13 and denied 508 of them this year.

14 The paralegals that do this in the  
15 Commissioner's officer are currently working  
16 on February filings, so they're eight months  
17 behind. They've been bringing their backlog  
18 down, but there was an enormous backlog. So  
19 we are now planning to use examining attorney  
20 detailees to work the backlog down in the next  
21 three months. We think once we get our

1 backlog down in these particular petitions,  
2 we'll be able with the current staff, and  
3 assuming that the filings don't go up, we'll  
4 be able to maintain a steady state.

5 MR. ALEXANDER: How do these numbers  
6 compare to the prior years?

7 MS. BERESFORD: They're greater. I  
8 don't have the prior year numbers before me  
9 and I don't have the annual report with me,  
10 but I think it 5,000 last year, so we haven't  
11 quite doubled, but we've significantly  
12 increased.

13 Petitions to the Commissioner under  
14 2.146, here we have exactly the opposite  
15 story. These petitions have decreased. A few  
16 years ago, they were over 1,000 a year.  
17 They're now down to 432. We've acted on 419  
18 of them. We're currently working on August  
19 and September filings. We may have a few that  
20 are older than that because sometimes it takes  
21 a while for them to make their way to the

1 office or a paper gets lost on it or  
2 something. But I would suspect that in the  
3 next month, we're going to be completely  
4 current with that small petition docket. Any  
5 questions?

6 MR. ALEXANDER: Thank you very much.

7 MS. BERESFORD: Thank you.

8 MR. ALEXANDER: The last item on the  
9 agenda was talking about the T-PAC report.  
10 And we've had a lot of one-on-one  
11 conversations with various members of the T-  
12 PAC and the USPTO. I open the floor to the T-  
13 PAC with any suggestions anybody has. Some of  
14 the topics that I anticipate being done was  
15 our electronic filings, the work force  
16 reduction issues, budgetary issues involving  
17 it, chance to deal with long overdue quality  
18 infrastructure changes with additional  
19 personnel available, the possibility of lower  
20 fees arising from cost savings in event of the  
21 hotelling, timely response questions that we

1 discussed, some of the TTAB issues, quality  
2 control issues as compared to consumer  
3 satisfaction, and so forth.

4 Any thoughts anybody has are more than  
5 welcome in terms of addressing what we're  
6 going to have to draft in the next few weeks.

7 MR. NICHOLSON: What was the timing?

8 MR. ALEXANDER: I think we're into  
9 probably a 10-day period at most for that to  
10 have to be done. David Stimson was going to  
11 draft something on the TTAB. I welcome any  
12 help from anybody on the T-PAC that wants to  
13 draft any section of it. I'll take a crack at  
14 doing it as I did last year. Bob, you thought  
15 five specific things had to be addressed in  
16 this one?

17 MR. ANDERSON: Well, there's the  
18 statute itself. The statute requires that the  
19 committee address five specific things.  
20 Unfortunately, I don't have the data for that.

21 MR. ALEXANDER: I think all of them

1 were sort of covered, but I may be wrong. Of  
2 course, I find the statute also requires  
3 budgets to be finished.

4 We were put under a great deal of  
5 pressure last year to meet a time table which  
6 we met, but nobody else met after we turned it  
7 in. They were asking us to get it in before  
8 the end of October, but it's not due until the  
9 end of November. They wanted their draft in  
10 two days ago, and we tried to do that before  
11 this meeting before we do something about the  
12 budget. I would like to get it in before the  
13 end of this month. And I welcome anything  
14 from the USPTO. Feel free to email me with  
15 any ideas in confidence or not in confidence.  
16 I am a sponge.

17 MR. PIRKEY: So is it your plan to  
18 email the draft to the members?

19 MR. ALEXANDER: Yes, which is what I  
20 did last year. That's why I was a little  
21 concerned about misunderstanding the position

1 last year, because the draft was circulated  
2 and commented on. Any other business? If  
3 not, thank you, everybody, for coming and your  
4 patience with the group.

5 (Thereupon, the proceedings were  
6 adjourned at 4:45 p.m.)

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18 CERTIFICATE OF SHORTHAND REPORTER

19 I, Patricia A. Edwards, shorthand  
20 reporter, do hereby certify that the foregoing  
21 transcript was taken by me in stenotype and

1 thereafter reduced to typewriting under my  
2 direction; that said transcript is a true  
3 record; that I am neither counsel for, related  
4 to, nor employed by any of the parties to the  
5 action in which this action was taken; and,  
6 further, that I am not a relative or employee  
7 of any attorney or counsel employed by the  
8 parties thereto, nor financially or otherwise  
9 interested in the outcome of the action.

10 -----

11 PATRICIA A. EDWARDS

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-oo0oo-

**INVOICE**

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216-64-7121

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10/16/01 TAKEN

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TRADEMARK PUBLIC ADVISORY COMMITTEE

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EDITING TIME - 1/2 HOUR

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