

**SUPPORTING STATEMENT**  
**United States Patent and Trademark Office**  
**United States Patent Applicant Survey**  
**OMB Control No. 0651-0052**

**A. JUSTIFICATION**

**1. Necessity of Information Collection**

For several years, the United States Patent and Trademark Office (USPTO) has supported an ongoing forecasting program for patent application filings that includes the use of quantitative and qualitative methodologies. Given the importance of accurate application filings forecasts, the USPTO considers more than one type of methodology. As part of this strategy, information from a survey of the inventor community is included when formulating application filings forecasts. In addition to using the survey as part of a comprehensive approach to forecasting, the USPTO is also using this tool in response to the Senate Appropriations Report 106-404 (September 8, 2000). This report directed the USPTO to “develop a workload forecast with advice from a representative sample of industry and the inventory community” (Ref A). A patent application filing survey will assist the USPTO in better understanding key factors driving future application filings, such as newly emerging technologies.

The USPTO has developed the United States Patent Applicant Survey as part of the continuing effort to better predict the future growth of patent application filings by understanding applicant intentions. The main purpose of this survey is to determine the number of application filings that the USPTO can expect to receive over the next three years from patent-generating entities, ranging from large domestic corporations to independent inventors.

In recent years, the rate of patent application filings to the USPTO steadily increased with expanding technological innovations. However, newly emerging technologies, evolving business patenting strategies, patent valuations and costs, and intellectual property legislative changes, among other factors, may significantly impact patent applicants’ decisions to file applications at the USPTO. These factors cannot easily be accounted for in other methodologies or sufficient information is not available from databases or other sources and it is necessary for the USPTO to conduct the United States Patent Applicant Survey to obtain information directly from applicants. The information will allow the agency to anticipate demand and estimate future revenue flow more reliably; to identify input and output triggers and allocate resources to meet and understand customer needs; and to reassess output and capacity goals and re-align organization quality control measures with applicant demand by division.

The USPTO has partnered with Synovate, an independent research firm, to administer the sixth annual United States Patent Applicant Survey. Each entity that is surveyed in 2008 will be asked to provide the number of patent applications that it submitted to the

USPTO in 2007 and to provide estimates for the number of patent applications that it expects to submit in 2008, 2009, and 2010.

The USPTO plans to survey four groups of respondents: large domestic corporations (including those with 500+ employees), small and medium-size businesses, universities and non-profit research organizations, and independent inventors. The USPTO does not plan to survey foreign entities and will rely on the European Patent Office (EPO) and the Japan Patent Office (JPO) to provide forecasts of application filings by foreign entities. Due to variances in filing and the varying needs of the different patent applicant populations, the USPTO has developed two versions of the survey: one for the large domestic corporations and small and medium-sized businesses and one for universities, non-profit research organizations, and independent inventors.

Since the initial survey, administered in late 2002, the USPTO has redesigned the survey to eliminate difficulties and coordinate analysis more easily with parallel surveys conducted concurrently by the European and Japan Patent Offices.

There are no statutes or regulations requiring the USPTO to conduct these customer surveys. The USPTO uses surveys to implement Executive Order 12862 of September 11, 1993, *Setting Customer Service Standards*, published in the *Federal Register* on September 14, 1993 (Volume 58, Number 176). These surveys also support various strategic plan initiatives developed by the USPTO to fulfill customer service and performance goals, to assist the USPTO in strategic planning for future initiatives, to verify existing service standards, and to establish new ones.

## **2. Needs and Uses**

The United States Patent Applicant Survey is a mail survey, although respondents have the option to complete the survey electronically. They may also provide their responses verbally over the telephone.

A survey packet, containing the survey, a cover letter explaining the purpose of and outlining instructions for completing the survey, and a postage-paid, pre-addressed return envelope will be mailed to all survey groups.

In the case of large businesses (more than 500 employees, excluding the top 185 patent-generating entities) and small to medium-size businesses, a pre-notification letter will be sent asking respondents to confirm the name and mailing address of the person to whom the survey should be sent. An example of a typical pre-notification letter that will be sent to these large and small to medium-size businesses is provided in this submission (Ref B). Follow-up phone calls will be made to all of the original contacts in the large domestic corporations, the universities, and non-profit research organizations approximately two weeks after the initial packet mailing. A suggested script has been developed to ensure that all of the staff conducting the follow-up phone calls ask the

same questions, in the same manner (Ref C). Approximately one week after the initial packet mailing, reminder cards will be mailed to the original contacts in large domestic corporations with 500 or more employees, independent inventors, and small to medium-size businesses. An example of such a card is also provided in this submission (Ref D).

Survey packets are mailed to all of the target groups. Respondents can then choose whether to mail the completed survey back to the USPTO's survey contractor (Synovate) or respond to the survey online through Synovate's website. The cover letter included with the questionnaire booklets contains instructions for accessing the survey online through Synovate's website and provides the 6-digit access code that respondents need to access the electronic survey.

The Information Quality Guidelines from Section 515 of Public Law 106-554, Treasury and General Government Appropriations Act for Fiscal Year 2001, apply to this information collection and comply with all applicable information quality guidelines, i.e., OMB and specific operating unit guidelines (Ref E).

This proposed collection of information will result in information that will be collected, maintained, and used in a way consistent with all applicable OMB and USPTO Information Quality Guidelines.

Table 1 outlines how these collections of information are used by the public and the USPTO. There are two versions of the survey. One version is sent to the large domestic corporations and small and medium-sized businesses; the other version is sent to the universities, non-profit research organizations, and independent inventors. The mail and online versions of the survey are exactly the same, so separate copies of the online versions of these surveys have not been included in this submission.

**Table 1: Needs and Uses of Information Collected from the United States Patent Applicant Survey**

Form and Function	Form #	Needs and Uses
Large Domestic Corporations (paper and electronic survey) (Ref F)	Survey No Form Associated	<ul style="list-style-type: none"> <li>• Used by the Vice Presidents for Intellectual Property for the top 209 patent-generating corporations and large domestic corporations with 500 or more employees to provide the USPTO with the number of domestic, international, and combined filings that their corporation plans to submit and with general feedback concerning industry trends and the survey for themselves and their subsidiaries.</li> <li>• Used by the USPTO to gather feedback to assist them in estimating future revenue flow, to allocate resources, and to determine quality control measures to meet the filing demands of the large domestic corporations.</li> </ul>
Small and Medium-Size Businesses (paper and electronic survey) (Ref F)	Survey No Form Associated	<ul style="list-style-type: none"> <li>• Used by the Chief Executive Officer of small to medium-size businesses (less than 500 employees), U.S. research institutions, government agencies, and non-profit organizations to provide the USPTO with the number of domestic, international, and combined filings that their</li> </ul>

		<p>businesses and organizations plan to submit and with general feedback concerning industry trends and the survey.</p> <ul style="list-style-type: none"> <li>Used by the USPTO to gather feedback to assist them in estimating future revenue flow, to allocate resources, and to determine quality control measures to meet the filing demands of the small and medium-size businesses.</li> </ul>
Universities and Non-Profit Research Organizations (paper and electronic survey) (Ref G)	Survey No Form Associated	<ul style="list-style-type: none"> <li>Used by the top 45 patent-generating universities based in the United States to provide the USPTO with the number of domestic, international, and combined filings that their universities plan to submit and with general feedback concerning industry trends and the survey.</li> <li>Used by non-profit research organizations based in the United States to provide the USPTO with the number of domestic, international, and combined filings that their organizations plan to submit and with general feedback concerning industry trends and the survey.</li> <li>Used by the USPTO to gather feedback to assist them in estimating future revenue flow, to allocate resources, and to determine quality control measures to meet the filing demands of universities and non-profit research organizations.</li> </ul>
Independent Inventors (paper and electronic survey) (Ref H)	Survey No Form Associated	<ul style="list-style-type: none"> <li>Used by randomly selected independent inventors to provide the USPTO with the number of domestic, international, and combined filings that they plan to submit and with general feedback concerning industry trends and the survey.</li> <li>Used by the USPTO to gather feedback to assist them in estimating future revenue flow, to allocate resources, and to determine quality control measures to meet the filing demands of independent inventors.</li> </ul>

### 3. Use of Information Technology

Currently, the USPTO does not generally use mechanical collection techniques to collect the responses to these surveys. However, those respondents who choose to respond to the surveys can do so electronically and through automated collection methods. Although the United States Patent Applicant Survey is a mail survey, respondents can also provide their responses electronically or in some cases over the telephone. Respondents can choose to mail their survey to Synovate or they can provide their responses electronically over the Internet. The cover letter that accompanies the survey provides instructions for completing the survey online through the survey contractor's (Synovate's) website and provides the 6-digit access code for the survey.

In the case of large domestic corporations and the universities and non-profit research organizations, Synovate will make follow-up phone calls approximately two weeks after

the initial packet has been mailed. Although the primary purpose of these phone calls is to answer any questions that the respondents may have concerning the survey, the respondent can choose to complete the survey over the phone. Synovate will guide the respondent through the same questionnaire that the respondent received in the mail. A script is used to ensure that all of the necessary questions are asked of the respondents in the same manner.

At this time, the USPTO does not disseminate any of the information collected from the surveys electronically. As more of these surveys are conducted, the USPTO will reevaluate whether this would be beneficial. After the survey is completed, a report summarizing the survey results will be prepared by Synovate.

#### **4. Efforts to Identify Duplication**

This information is collected only when large domestic corporations, small or medium-size businesses, universities and non-profit organizations, and independent inventors respond to the United States Patent Applicant Survey. Currently, there are no available methods to gather the types of information proposed by these surveys directly from our customers. The survey questions request contact information, information about subsidiaries, domestic, international, and combined filings, general feedback concerning industry trends that might affect patent application submissions, and any difficulties encountered in trying to complete this survey. This information is not generally available from other sources and is not collected elsewhere. Therefore, this collection does not create a duplication of effort.

#### **5. Minimizing Burden to Small Entities**

In order to reduce the burden on those responding to these surveys, the USPTO developed two versions of the survey: one for the large domestic corporations and small and medium-sized businesses, and one for universities, non-profit research organizations, and independent inventors. The surveys are sent to the contacts that have the most knowledge about the patent activity at his or her corporation, business, or organization. The survey for the universities, non-profit research organizations, and independent inventors is shorter than the other surveys because it does not ask questions about subsidiaries. Therefore, universities, non-profit research organizations, and independent inventors should take less time than businesses when completing the survey.

In an effort to minimize burden, sample sizes are kept small and the number of questions are limited to the minimum required to obtain useful information. All sizes of businesses and individual customers will participate in these various surveys to accurately portray customer requirements and service quality. It is important to include small businesses in these surveys because the USPTO wants to encourage their use of the patent and trademark systems.

## **6. Consequences of Less Frequent Collection**

The information collected from the United States Patent Applicant Survey is needed so that the USPTO can anticipate demand and estimate future revenue flow more reliably, identify customer needs and allocate resources to meet those needs, to reassess output and capacity goals, and to realign organization quality measures with workload demand by type. Timely, valid information on customer requirements and assessment of the USPTO's performance is needed in order for the USPTO to accomplish these measures. If this information was collected less frequently, the USPTO would not be able to estimate future patent application activity accurately on a continuing basis.

## **7. Special Circumstances in the Conduct of Information Collection**

There are no special circumstances associated with this collection of information.

## **8. Consultation Outside the Agency**

The 60-Day *Federal Register* Notice was published on June 4, 2007 (Vol. 72, No. 106). The public comment period ended on August 3, 2007. No comments from the public were received.

There have been no comments received from the corporations/businesses, law firms, educational institutions, and independent inventors frequently interviewed through these types of surveys concerning the time required to provide the information requested in the United States Patent Applicant Survey.

## **9. Payment or Gifts to Respondents**

This information collection does not involve a payment or gift to any respondent. This survey is voluntary, so the respondent is not required to answer the questions.

## **10. Assurance of Confidentiality**

Data collected from the surveys will not be linked to the respondents. All contact information collected from the questionnaire will be maintained in a separate file from the quantitative data. At the end of the data collection, two files will be maintained by the survey contractor (Synovate). One file will contain respondent contact information and will establish a current and continuous sample file for use in future survey administrations. The second file will contain the aggregate quantitative data and will be delivered to the USPTO. Once the two files are created, respondent information will not be realigned with the data collected.

Applicants can also choose to complete their survey online through Synovate's website. A six digit access code is needed to access the survey. This access code is generated

by Synovate and is provided in the initial cover letter that is sent with the mail survey.

The United States Patent Applicant Survey is protected under the Confidential Information Protection and Statistical Efficiency Act of 2002. All survey data will be destroyed at the end of the project.

## **11. Justification for Sensitive Questions**

None of the required information is considered to be of a sensitive nature.

## **12. Estimate of Hour and Cost Burden to Respondents**

Table 2 calculates the burden hours and costs of this information collection to the public, based on the following calculation factors:

- **Respondent Calculation Factors**

Based on the response rates of the previous survey, the USPTO estimates that it will receive the following number of responses for the 2008 survey. Of these surveys, the USPTO estimates that 267 of them will be completed electronically.

- 27 Large Domestic Corporations
- 53 Large Domestic Corporations (electronic surveys)
- 18 Small and Medium-Size Businesses
- 37 Small and Medium-Size Businesses (electronic surveys)
- 5 Universities and Non-Profit Research Organizations
- 10 Universities and Non-Profit Research Organizations (electronic surveys)
- 83 Independent Inventors
- 167 Independent Inventors (electronic surveys)

- **Burden Hour Calculation Factors**

The USPTO estimates that it will take approximately 30 minutes (0.50 hours) for all of the patent applicant populations to provide their responses, with the exception of the independent inventors. The USPTO estimates that it will take independent inventors approximately 15 minutes (0.25 hours) to provide their responses, since individually they do not file as many patents as businesses, universities, or non-profits. These estimates include the time to gather the necessary information, complete the survey, and submit it to the USPTO. The USPTO believes that it will take the same amount of time to complete the surveys whether they are completed on paper and mailed to the USPTO or completed and submitted electronically.

- **Cost Burden Calculation Factors**

The USPTO believes that these surveys will be completed by lawyers, legal assistants, and respondents with diverse occupations and that the majority who choose to respond to the survey will be respondents with diverse occupations. Therefore, the USPTO is calculating the burden hours and costs using a rate that is based on 31% of lawyers, 9% of legal assistants, and 60% of respondents with diverse occupations responding to the survey. The USPTO is estimating an hourly rate of \$54 for the lawyers, \$24 for the legal

assistants, and \$20 for the rest of the respondents. The hourly rate for the lawyers, calculating 31% of \$54, equals approximately \$17, the hourly rate for the legal assistants, calculating 9% of \$24, equals approximately \$2, and the hourly rate for respondents with diverse occupations, calculating 60% of \$20, equals approximately \$12. Adding these rates together provides the average total hourly rate of \$31 that is used to determine the burden hour costs to the public for this information collection. This is a fully-loaded hourly rate.

**Table 2. Burden Hour/Burden Cost to Respondents**

Item	Hours (a)	Responses (yr) (b)	Burden (hrs/yr) (c) (a) x (b)	Rate (\$/hr)	Total Cost (\$/yr) (e) (c) x (d)
Large Domestic Corporations	0.50	27	14	\$31.00	\$434.00
Large Domestic Corporations (electronic surveys)	0.50	53	27	\$31.00	\$837.00
Small and Medium-Size Businesses	0.50	18	9	\$31.00	\$279.00
Small and Medium-Size Businesses (electronic surveys)	0.50	37	19	\$31.00	\$589.00
Universities and Non-Profit Research Organizations	0.50	5	3	\$31.00	\$93.00
Universities and Non-Profit Research Organizations (electronic surveys)	0.50	10	5	\$31.00	\$155.00
Independent Inventors	0.25	83	21	\$31.00	\$651.00
Independent Inventors (electronic surveys)	0.25	167	42	\$31.00	\$1,302.00
<b>Totals</b>	-----	<b>400</b>	<b>140</b>	-----	<b>\$4,340.00</b>

### 13. Total Annualized Cost Burden

There are no capital start-up, maintenance and operation, or recordkeeping costs associated with this information collection. Respondents do not need to submit filing fees with these surveys. The USPTO provides postage-paid, pre-addressed return envelopes for the completed mail surveys so there are no postage costs associated with this information collection. Therefore, this information collection does not impose any additional annual (non-hour) costs on the respondent.

### 14. Annual Cost to the Federal Government

The USPTO has hired a contractor to conduct the United States Patent Applicant Survey, so this survey is not conducted or processed by USPTO personnel. The USPTO estimates that the contractor (Synovate) will spend \$60,000 each year to

conduct and process the annual United States Patent Applicant Survey. This estimate includes various tasks such as processing the related survey correspondence, performing data entry tasks, sampling, analyzing the data gathered, and preparing reports on the findings.

## **15. Reason for Change in Burden**

### Summary of Changes Since the Previous Renewal

The OMB approved this information collection on October 13, 2004, with 445 responses, 187 burden hours, and no annualized (non-hour) costs.

With this renewal, the USPTO estimates that the total burden for this collection will be 400 responses and 140 burden hours. There are still no annualized (non-hour) costs for this collection. This is a reduction of 45 responses and 47 burden hours from the currently approved burden for this collection. These reductions are due to administrative adjustments.

### Changes in Respondent Cost Burden

When this collection was previously approved in October 2004, the USPTO believed that the survey would be completed by both associate attorneys and paraprofessional/paralegals, using a rate that was 75% professional and 25% paraprofessional/paralegal. The hourly rates used to calculate the respondent cost burden came from the Committee on Economics of Legal Practice of the American Intellectual Property Law Association and the National Association of Legal Assistants (\$286 and \$81, respectively).

The USPTO now believes that the surveys will be completed by lawyers, legal assistants, and respondents with diverse occupations and that the majority of people who choose to respond to the survey will be respondents with diverse occupations. The USPTO now estimates that the hourly rate will be based on 31% of lawyers, 9% of legal assistants, and 60% of respondents with diverse occupations responding to the survey. The USPTO has also reestimated the hourly rates for the lawyers (\$54) and legal assistants (\$24) and estimates that the hourly rate for the rest of the respondents will be \$20. The USPTO estimates that the total respondent cost burden for this collection will decrease by \$39,605, from \$43,945 to \$4,340.

### Changes in Responses and Burden Hours

For this renewal, the USPTO estimates that the annual responses for this collection will decrease by 45 responses, from 445 to 400 responses per year. The USPTO estimates that the total burden hours for this collection will decrease by 47 hours, from 187 to 140 burden hours per year. These changes are due to administrative adjustments, as

follows:

- The USPTO estimates that the number of large domestic corporations, large domestic corporations (electronic), small and medium-size businesses, and universities and non-profit research surveys submitted will decrease by 202 responses per year, from 305 responses to 103 responses. The USPTO believes that this in turn will reduce the burden for this collection by 101 hours per year, from 154 hours to 53 hours. **Therefore, this collection takes a net burden decrease of 101 hours per year as an administrative adjustment.**
- The USPTO estimates that the number of small and medium size businesses (electronic) and universities and non-profit research organizations (electronic) surveys submitted will increase by 7 responses per year, from 40 responses to 47 responses. The USPTO believes that this in turn will increase the burden for this collection by 3 hours per year, from 21 hours to 24 hours. **Therefore, this collection takes a net burden increase of 3 hours per year as an administrative adjustment.**
- The USPTO estimates that the number of surveys from the independent inventors, both paper and electronic, submitted will increase by 150 responses per year, from 100 responses to 250 responses. In addition, the USPTO has reestimated the amount of time that it takes an independent inventor to complete and submit the survey. Originally, the USPTO believed that it took 7 minutes to complete this survey, but the agency now believes that 15 minutes is a more accurate estimate. The USPTO believes that this new time estimate, in addition to the increased submissions, will increase the burden for this collection by 51 hours per year, from 12 hours to 63 hours. **Therefore, this collection takes a net burden increase of 51 hours per year as an administrative adjustment.**

The USPTO estimates that the total net burden for this collection will decrease by 47 hours per year, from 187 hours to 140 hours per year. In total, the USPTO estimates that 54 hours will be added to the collection, but that these additional hours will be offset by a reduction of 101 hours, for a total net burden reduction of 47 hours resulting from administrative adjustments. **In sum, this information collection has a net burden reduction of 47 hours per year resulting from administrative adjustments.**

#### Changes in Annual (Non-Hour) Costs

There are no changes in the annual (non-hour) costs from the previous renewal. The United States Patent Applicant Survey does not impose any additional annual (non-hour) costs, in the form of capital start-up, operation and maintenance, recordkeeping, and postage costs or filing fees, on respondents.

## 16. Project Schedule

There is no plan to publish this information for statistical use.

After the survey is completed, a report summarizing the results of the survey will be prepared by the USPTO's contractor. Each participant in the survey will receive a copy of this report.

The primary goal is to forecast the change in the number of patent applications to be submitted to the USPTO in the year before, the year of, and three years after the survey. Respondents will be asked to estimate the number of patent applications that they or their organization expects to submit.

The estimator for the expected change will be in the form of the stratified ratio estimator. The stratified ratio estimator is a relatively straightforward method. The steps to be taken are the following:

- a) The sample is separated into the respective entities or groups: large domestic corporations, small-to-medium businesses, independent inventors, and universities and non-profit research organizations. These groups comprise the strata.
- b) The total number of applications to be submitted for each stratum is estimated. The respondent's answers are calibrated using an external measure of the number of applications received and/or applications granted using the ratio estimator. For example, we will estimate the total number of applications for the first stratum – the largest companies – by calibrating to an external measure. By using this calibration, we will forecast the number of applications to be submitted next year. This process will be repeated for the next three strata.
- c) The total number of applications is the sum of the four strata estimates.
- d) The relative change in patent applications will be relative change between next year's estimated number of applications and this year's.

Formally, the ratio estimator within a stratum will have the following form:

$$T_h = N_h \overline{X}_h \frac{y_h}{x_h}$$

where  $X_h$  is the mean number of applications in the sample and  $y_h$  and  $x_h$  are the corresponding values from the independent measure of the number of applications and the sample.

Standard errors will be calculated using a repeated-replicated standard estimation method called the Jackknife method. This method provides a nearly unbiased estimate of the standard error for the percentage change from the stratified ratio estimator.

The USPTO estimates a start date of April 1<sup>st</sup>, 2008, for the various activities related to the Patent Applicant Survey. A projected schedule for the survey is provided below:

Tasks	Schedule (week of)
Obtain Contact Information from Dun and Bradstreet	April 5, 2008
Send Notification Cards	April 11, 2008
Begin Data Collection	April 25, 2008
Send Reminder Cards	May 16, 2008
Conduct Follow-up Calls	May 23, 2008
End Data Collection	May 30, 2008
Synovate Submits Preliminary Analysis to the USPTO	June 20, 2008
Synovate Submits Final Report to the USPTO	June 30, 2008

**17. Display of Expiration Date of OMB Approval**

These surveys do not have USPTO form numbers associated with them. Once they are approved, they will carry the OMB Control Number and the expiration date.

**18. Exception to the Certificate Statement**

This collection of information does not include any exceptions to the certificate statement.