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To: SatelliteOffices  
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Subject: Response to Notice Requesting Comments on USPTO Satellite Office Locations (76 F.R. 73601 11/29/2011)

Response to Notice Requesting Comments on USPTO Satellite Office Locations (76 F.R. 73601 11/29/2011)

Thank you for the opportunity to provide comments on the important topic of a location for a USPTO satellite office. As will be seen from the information below, California is by far the leading state in innovation and patenting activity, and the Bay Area is the leader in California (the Bay Area being the nine counties on San Francisco Bay, namely Marin, Sonoma, Napa, Solano, Contra Costa, Alameda, Santa Clara, San Mateo and San Francisco counties). Pleasanton specifically offers a unique strategic location in the Bay Area which allows it to be equally conveniently accessed by rapid transit or many freeways from all around the Bay Area or other parts of California. Its connection by rapid transit and freeways to two major international airports and by freeway to a third, make it also easily accessible regionally, nationally, and internationally. All this while offering reasonable commercial and nearby residential real estate along with an unrivaled quality of life; once here, Patent Office personnel will not want to leave. As can be seen from the details below, not only is California, the Bay Area, and Pleasanton in particular a good choice, it is an excellent choice and the logical choice for a USPTO satellite office.

Detailed supporting data and discussion are provided below in support of each of the points requested by the Patent Office notice.

(1) Increase outreach activities to better connect patent filers and innovators with the USPTO, including the number of patent filings and grants by the city/region as well as other information that provides insight into the region's innovation activity;

Inventors, major technology corporations, renowned technical universities and government laboratories are all clustered in California, and the Bay Area in particular, in the greatest number and concentrations in the country and probably the world. All are equally readily accessible to strategically located Pleasanton. This allows for convenient and frequent meetings, presentations, and discussion to the most concentrated user base in the country.

#### UTILITY PATENTS GRANTED IN 2010 ALONE BY STATE:

California = 27,337 (No. 1); Texas = 7,545 (No. 2); Washington = 5,258; Michigan = 3,823 (per [http://www.uspto.gov/web/offices/ac/ido/oeip/taf/cst\\_utl.htm](http://www.uspto.gov/web/offices/ac/ido/oeip/taf/cst_utl.htm))

#### UTILITY PATENTS GRANTED IN 2010 ALONE BY METROPOLITAN AREA:

Bay Area (San Jose-Sunnyvale-Santa Clara combined with San Francisco-Oakland-Fremont) = 16,363; Seattle-Tacoma-Bellevue = 4,052; Detroit-Warren-Livonia = 2,222 (per [http://www.uspto.gov/web/offices/ac/ido/oeip/taf/cl\\_s\\_cbsa/all\\_cbsa\\_gd.htm](http://www.uspto.gov/web/offices/ac/ido/oeip/taf/cl_s_cbsa/all_cbsa_gd.htm))

#### GOVERNMENT LABS:

4 Department of Energy National Labs are located in the Bay Area: Lawrence Berkeley National Laboratory, SLAC National Accelerator Laboratory, Lawrence Livermore National Laboratory, and Sandia National Laboratories. This is more than any other region in the country.

#### MAJOR RESEARCH UNIVERSITIES:

3 major renowned universities in the Bay Area, namely: University of California, Berkeley; Stanford University; University of California, San Francisco; plus

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numerous other public and private universities and colleges.

### TRANSPORTATION:

3 major International Airports, two directly connected by rapid transit (BART) to Pleasanton: San Francisco International (BART connection); Oakland International (BART connection); San Jose International (35 minute freeway drive). This allows for easy statewide, regional, and international access. Inventors and their representatives up and down the west coast region and adjacent states can access Pleasanton for a meeting and return, all in the same day, for example flying into Oakland International Airport and using the BART rapid transit system to go directly to Pleasanton. Multiple freeways (Interstates 580 and 680), and the nearby main route to southern/northern California Interstate 5, conveniently also connect Pleasanton to the rest of the Bay Area and California.

### PLEASANTON'S STRATEGIC LOCATION:

Pleasanton's strategic location mid-way between Sandia/Livermore Labs, Lawrence Berkeley Labs, University of California, Berkeley, Stanford University, the 3 international airports, and Silicon Valley (Palo Alto/Redwood City region), along with BART (which terminates at Pleasanton) can be quickly seen on the Sandia Labs site map and info site at: <http://ca.sandia.gov/about/life/visitorsguide/maps/bayareamap.php>. Couple this with an abundance of regional housing, recreation, education, transportation links and the case for a Pleasanton location is compelling.

(2) Enhance patent examiner retention, including quality of life indicators such as average household income, cost of living factors, and other factors related to employee retention;

Pleasanton offers an unrivaled quality of life, excellent schools, and reasonably priced housing within a short distance, while allowing for easy connection to downtown San Francisco and other Bay Areas by rapid transit or freeway.

2010 MEDIAN SALARY IN THE 9 COUNTY BAY AREA (ALAMEDA, CONTRA COSTA, MARIN, NAPA, SAN FRANCISCO, SAN MATEO, SANTA CLARA, SOLANO, SONOMA):  
\$71,718. For Pleasanton, the median 2011 household income is \$115,188.

### REAL ESTATE PRICES:

The Bay Area, and particularly Silicon Valley, has a reputation for high real estate prices. This is only partially correct. Pleasanton offers an average home price which in 2011 was approximately one-half of the average in Palo Alto or Cupertino (see [www.zillow.com](http://www.zillow.com)). While still higher than the national average, more modest home prices are available in neighboring Dublin (\$419,000) and Livermore (\$370,000), or within a 30 minute freeway drive in cities such as Tracy (\$244,000) in 2011 (per [www.zillow.com](http://www.zillow.com)). This is substantially less than the corresponding data for Seattle (\$374,000) or a Seattle suburb such as Bellevue (\$453,000).

### OUTSTANDING QUALITY OF LIVING:

Easy access to San Francisco and all its multicultural resources and activities by 40 minute ride on BART or by freeways 580 or 680/24 if driving.

Extensive outdoor activities within walking distance or 15 minute drive, including: 42 city parks totaling 385 acres of maintained recreational space (including the largest active sports park in Northern California) with an additional 810 acres of open space; and 47 miles of walking and bike trails. Pleasanton is also adjacent to numerous parks of the East Bay Regional Parks district offering additional numerous hiking, mountain biking, and water sports activities, including Shadow Cliffs Park, Ohlone Wilderness, Del Valle Lake, and Pleasanton Ridge, all within 5-20 minutes of vibrant downtown Pleasanton which is an identified Main Street community (see <http://www.ebparcs.org/parks>).

Additionally, world renowned Yosemite National Park and Lake Tahoe Recreation Area

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are within 3-4 hours drive, these also being connected to an area of five contiguous National Forests stretching over 200 miles down the Sierra Nevada mountains. Outdoor activities include extensive venues for year-round recreation of hiking, biking, mountain climbing, snowboarding, skiing, snowmobiling, and snowshoeing.

Indoor activities abound as well – from the cultural and performing arts, to museums and historic preservation sites, to fun and entertainment. It's all in the Bay Area region and available to everyone.

#### SCHOOLS:

The API is the state's academic accountability requirement, measuring the academic performance and growth of schools based on test results in the areas of English-Language Arts, mathematics, science and history-social science. The API has a range of 200 to 1000, with a Statewide Performance Target of 800. Pleasanton Unified School District scored 906 (13th in State for unified districts). As a comparison with neighboring cities in Alameda County

Pleasanton Unified	906	Fremont	877
Dublin	885	Hayward	715
Livermore	832	San Leandro	738

In 2011, 97.65% of Pleasanton high school seniors received diplomas and more than 95% of the graduates continue to higher education (64% attend private universities, UC or CSU colleges and 31% attend community college, or vocational school).

(3) Improve recruitment of patent examiners, including data on employment rates and other economic factors in the area, science and technology professionals, as well as legal professionals in the workforce and other related information;

California is, by far, the leader in numbers of patent attorneys/agents (almost one-half being located in the Bay Area), professional employment, and academic and industrial R&D. The Bay Area is home to many large corporations and high tech companies from which potential employees and customers for the Patent Office are already drawn. The largest 200 of these companies alone in the Bay Area are responsible for almost \$1 Trillion in revenues. Many of these corporations make their home in the Tri-Valley (Pleasanton, Dublin/ San Ramon corridor). This represents the most concentrated pool of patent savvy individuals in the country and state as seen from the following data:

#### REGISTERED PATENT ATTORNEYS/AGENTS AS OF JANUARY 2012:

Bay Area = 3,053; California = 7,307; Illinois = 2,593; Washington state = 929  
(<https://oedci.uspto.gov/OEDCI/>)

#### OCCUPATIONAL EMPLOYMENT NUMBERS 2010 FOR PROFESSIONAL AND RELATED OCCUPATIONS + MANAGEMENT/BUSINESS/FINANCIAL:

California = 6,104,000 (No. 1); Texas = 3,745,000 (No. 2); Michigan = 1,595,000; Washington state = 1,282,000 (per US Census Bureau:  
<http://www.census.gov/compendia/statab/2012/tables/12s0617.xls>)

#### ACADEMIC & INDUSTRIAL R&D SPEND FOR 2007 (IN MILLIONS OF \$):

California = \$70,921 (No. 1); Massachusetts = \$21,660 (No. 2); Michigan = \$17,246; Washington = \$13,668 (per US Census Bureau):  
<http://www.census.gov/compendia/statab/2012/tables/12s0807.xls>)

#### BAY AREA AND PLEASANTON MAJOR COMPANIES AND TECHNOLOGY COMPANIES:

The Bay Area is home to the largest collection of major technology corporations and technology employment in the nation. The largest 200 companies with headquarters (and facilities) in the Bay Area have total annual revenues of approximately \$1 TRILLION and are too numerous to list but include such well-known technology giants as:

Hewlett-Packard, Apple, Intel, Cisco, Oracle, Google, e-Bay, Chevron Corporation, Gillet Sciences, Applied Materials, Symantec, Advanced Micro Devices, SanDisk,

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Electronic Arts, NVIDIA, Intuit, Adobe, LSI, Bio-Rad, Lam Research, National Semiconductor, The Cooper Companies, Dolby Incorporated, Dionex, Thoratec, Affymetrix, Cepheid, and MANY more (see the complete 200 list at: <http://www.sfgate.com/cgi-bin/business/chron200/chart>). This list does not include companies not headquartered in the Bay Area but with large R&D facilities. Quite simply, no other city/area in the country can compare to this.

In 2007 Forbes rated the highest states for technology jobs as follows (based on 2005 statistics): California 919,000; Texas 446,000; Florida 276,000; Virginia 261,000; Massachusetts 238,000; Pennsylvania 204,000; Maryland 162,000; Washington 156,000; North Carolina 142,000; Utah 53,000 (source: Forbes "The Best States for Tech Jobs" April 24, 2007, available at [http://www.forbes.com/2007/04/24/technology-job-salary-tech-cx\\_bw\\_0424jobs.html](http://www.forbes.com/2007/04/24/technology-job-salary-tech-cx_bw_0424jobs.html))

From the July 2010 "Innovation Potential in the Tri-Valley" report (representing the neighboring communities of Pleasanton, Dublin, Livermore, Danville and San Ramon) there are 765 technology companies in the communications, IT, biotech/environmental, cleantech and software industry sectors in the Tri-Valley region, with almost 50% of those firms located in Pleasanton. In 2007, seven Tri-Valley corporations made the Inc. 500 list of fastest growing companies with four of those located in Pleasanton). Further, from 2006-2010, more than \$630 million in venture capital funding was given to Pleasanton companies, with additional unreported funding from the Bay Area's active angel investment community.

(4) Decrease the number of patent applications awaiting examination; and (5) Improve the quality of patent examination.

Interaction between Patent Office personnel and users speeds the patent examination process. Personnel interviews are known to be a particularly effective way in which examiner and inventor views can be exchanged, issues resolved early in the process, and pendency and backlog reduced. Phone conference can also help but usually work best if prior examiner/user rapport has been established through in-person contact. These advantages will be enhanced given that the Bay Area offers the largest concentration of patent system users (inventors and corporations) in the country and the state of California, all with ready access to Pleasanton by rapid transit (BART), three major international airports, or by freeways.

(6) Available Office Space:

The Patent Office can readily lease existing facilities in Pleasanton or build, either for highly reasonable rates. In particular, there is over 2 million square feet of desirable office space currently available in Pleasanton, in the 10,000 to 500,000 square feet range (for a current listing see: <http://pleasanton.ci.tyapplications.com/publicproperty.aspx?Type=11>).

COMPARATIVE LEASE RATES (CLASS A & B):

Pleasanton: \$19-20/SF

Seattle \$33/SF downtown to \$20/SF in suburbs Palo Alto & Mountain View: \$36-72/SF (per Jones, Lang, LaSalle commercial real estate information at <http://www.us.am.joneslanglasalle.com/UnitedStates/EN-US/Pages/ResearchOffice.aspx>)

As is demonstrated by the details shared above, not only is California, the Bay Area, and Pleasanton in particular a good choice, it is an excellent choice and the logical choice for a USPTO satellite office. We look forward to continuing to this discussion and are available to provide any additional information to support Pleasanton as a viable location decision.

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