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From: Rogan, James
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To: Trademarks
Subject: A Special Message from the Director

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Before I was confirmed as Director in 2001, I was briefed on the significant downturn in Trademark filings since the previous year. I was urged that upon taking office, I might want to consider approving a reduction in force (RIF) for Trademark examiners. After extensive discussions with Commissioner Chasser, senior Trademark supervisors and our CFO, I declined to take that immediate action. In my first meetings with our Trademark lawyers last December, I promised that we would make the necessary adjustments to absorb our Trademark examining attorneys and maintain their force intact until the end of the 2002 fiscal year. I told them it was our hope that applications would again rise; if applications remained down for this year, however, we would have to face tough decisions at the end of the fiscal year.

That day is now upon us and, as everyone knows, filings have now dropped for the second year in a row. Last year new applications dropped 21%, which was the largest annual decrease ever. This year looks worse: the drop in filings will give us a 33% decrease in filings over the last two years. Our projections for next year look no better.

With the deadline for the fiscal year now approaching, we are forced to come to terms with the unhappy situation. There simply is insufficient work to retain a staff of 383 attorneys when we only have enough work for about 248 of them.

Commissioner Chasser has found no alternative but to recommend that up to 135 of the Trademark Attorney positions be eliminated, and I have found no alternative but to accept that recommendation. This is a painful step for both of us, and one that we both wish we could again defer. That simply is not possible.

To say this is painful for our employees and their families is an understatement. Maybe I understand that better than most. From the time I was 10 years old I wanted to be a congressman; thirty years of studying, preparing and working toward that goal finally landed me in my dream job. Only four years later I was defeated for reelection in a very public and politically brutal manner. The voters I had served for 17 years as a gang murder prosecutor, judge, state representative and congressman summarily fired me about 18 months ago.

I soon found the only thing worse than facing my own firing was in looking into the faces of some 25 young staffers who had become like family to me: each was summarily thrown out of work solely because they had been affiliated with me on the "wrong side" of the political divide. After I helped most of them land jobs, I ended up going on some 40 interviews over a couple of months before finding a law firm that wanted to hire me (not all of them did), and that I felt was the right fit.

Friends, there is no way to sugarcoat this experience. Losing your job is tough and it's scary. When I left Congress I had a wife, two small kids with medical issues, a mortgage, no stocks, no bonds and no savings. The good news was that once I entered the private sector as a lawyer, I was able quickly to build some security during my brief time there. I know this will be the experience for our lawyers, too, once you get back on your feet. Meanwhile, this agency will strive to help you in this transition.

I hate to become "legal" with you when I would rather try and be encouraging, but there is some required information I must now share. The RIF will, of course, be conducted in accordance with federal laws and procedures. The planned effective date of the RIF is September 30, 2002. We wanted to announce it far

enough in advance so those affected will have up to four months to deal with it. I am advised by our General Counsel's office that on or about July 30, 2002, (at least 60 days prior to the effective date of the RIF) release notices will be distributed to all affected employees, along with information describing the benefits and entitlements associated with that action. There is a reason for the delay: if some employees decide to leave early, then lawyers who might otherwise be subject to a release notice will be spared. In addition, we will shortly begin discussions with NTEU 245 in order to provide affected employees with appropriate benefits allowed under federal personnel regulations. In the interim, the Office of Human Resources is working to ensure that all affected employees are given essential information and their personnel records are accurate and current. In this regard, all potentially impacted employees will receive a package that includes a data sheet containing pertinent information for their review and update, if necessary, how this information is used in a RIF, and the specific steps involved in a RIF. Please be assured that every consideration will be given all employees impacted by the RIF.