ASSOCIATION OF AMERICAN UNIVERSITIES
AMERICAN COUNCIL ON EDUCATION
ASSOCIATION OF AMERICAN MEDICAL COLLEGES
ASSOCIATION OF PUBLIC AND LAND-GRANT UNIVERSITIES
ASSOCIATION OF UNIVERSITY TECHNOLOGY MANAGERS
COUNCIL ON GOVERNMENTAL RELATIONS

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HIGHER EDUCATION ASSOCIATIONS EXPRESS SUPPORT FOR SENATE JUDICIARY COMMITTEE PATENT REFORM SUBSTITUTE AMENDMENT

Following is a statement by the above-named higher education associations on the Senate Judiciary Committee’s substitute amendment to S. 515, the Patent Reform Act of 2009, announced by the Committee on March 4, 2010.

These six associations representing the nation’s higher education institutions strongly endorse the substitute amendment to S. 515, the Patent Reform Act of 2009, announced by the Senate Judiciary Committee on March 4. We believe that this legislation, the product of over five years of deliberations in Congress, represents the successful culmination of a thorough, balanced effort to update the nation’s patent reform system to more effectively support the nation’s innovative capacity in the increasingly competitive global environment of the 21st century.

Our universities and medical colleges are this nation’s principal source of the basic research that expands the frontiers of knowledge. The patent system plays a critical role in enabling these institutions to transfer the discoveries arising from basic research into the commercial sector for development into products and processes that benefit society.

From the beginning of this process in 2004, the legislation under consideration in Congress has retained two key reform elements called for by the seminal National Academies report on patent law: harmonizing U.S. law with that of the international community by adopting a first-inventor-to-file procedure, and improving patent quality and reducing litigation costs by creating a post-grant administrative procedure for challenging patents in their first year.

Over the course of these deliberations, both Judiciary Committees have been responsive to the interests and concerns of universities. Last May, our associations endorsed the compromise legislation reported by the Senate Judiciary Committee but noted that further improvements could be made in the legislation’s post-grant review procedures. Significant improvements have been made in those procedures, reducing the ability to use those procedures for abusive serial challenges to patents and thereby reducing the administrative burden on the U.S. Patent and Trademark Office. The resultant procedures will provide a faster, less costly alternative to civil action to challenge patents, improving patent quality by eliminating invalid patents, while
reducing abusive challenges and reducing litigation costs. We urge that these significant improvements be included in any final version of the legislation.

This legislation does not contain everything universities have advocated. But given the heterogeneous nature of the patent community, balanced legislation cannot include every provision that any sector wants. The substitute amendment reforms current law in a way that balances the interests of the various sectors and substantially improves the patent system overall. We very much hope that this legislation will serve as the basis for a revised patent law enacted this year.

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