

April 2, 2014

The Honorable Patrick Leahy
Chairman
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

The Honorable Chuck Grassley
Ranking Member
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

Dear Chairman Leahy and Ranking Member Grassley:

We the undersigned groups representing thousands of innovative companies, universities, and organizations and millions of workers in the United States write to express our serious concerns with the direction of patent legislation. It is our belief that the future of the U.S. economy and our ability to compete successfully in the global economy is dependent on Congress fostering a strong patent system that incentivizes innovators to invent.

We appreciate the hard work you and your staffs have undertaken to craft a bill to target abusive practices in patent litigation. All of the undersigned groups have worked constructively for months with your offices as well as with the other members of the Judiciary Committee to craft a responsible bill to address abusive practices. We are doing so in good faith, always with an eye toward helping those targeted by frivolous patent litigation, and even though the measures under consideration would add significant cost and burden to the enforcement of our own patents.

We are concerned that some of the measures under consideration go far beyond what is necessary or desirable to combat abusive patent litigation, and, in fact, would do serious damage to the patent system. As it stands, many of the provisions assume that every patent holder is a patent troll. Drafting legislation in this way seriously weakens the ability of every patent holder to enforce a patent. This approach clearly favors a business model that does not rely on patents and tilts the balance in favor of patent infringers, thereby discouraging investment in innovation.

The patent system is the bedrock of the U.S. economy. It should not be changed in this manner over the vigorous objection of some of America's most innovative industries. To do so would shortchange the future of our economy for a premature, unbalanced policy. The stakes are far too high not to get the balance right.

We remain willing to work toward that balance. We believe that an effective bill acceptable to patent holders is within reach. However, we cannot support changes to the patent system that substantially weaken all patents. If the provisions on discovery, customer stay, fee shifting and any associated measures, pleadings, and enforcement by the Federal Trade Commission do not achieve the appropriate balance, we will oppose the legislation.

We support efforts that target specific abusive behavior, and we look forward to continuing to work with you toward that end.

Sincerely,

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American Council on Education

American Intellectual Property Law Association (AIPLA)

American Seed Trade Association (ASTA)

Association of American Medical Colleges

Association of American Universities

Association of Public and Land-grant Universities

Association of University Technology Managers

AstraZeneca

Biocom

Biotechnology Industry Organization (BIO)

California Healthcare Institute (CHI)

Caterpillar Inc.

CONNECT

Council on Governmental Relations

Eli Lilly and Company

GSK

HealthCare Institute of New Jersey (HINJ)

Illinois Tool Works Inc.

Innovation Alliance (IA)

Johnson & Johnson

Kentucky Life Sciences Association

Medical Device Manufacturers Association (MDMA)

Monsanto

Pharmaceutical Research and Manufacturers of America (PhRMA)

The Procter & Gamble Company

Washington Biotechnology & Biomedical Association (WBBA)