

29 January 2010

The Honorable Harry Reid,
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

CC: Mr. Gary Locke, Secretary, U.S. Department of Commerce
Mr. David Kappos, Under Secretary of Commerce for IP and Director of the USPTO
The Honorable Nydia Velázquez, Chair, House Small Business Committee
The Honorable Mary Landrieu, Chair, Senate Committee on Small Business &
Entrepreneurship

Re: S. 515, "Patent Reform Act of 2009"

Dear Senator Reid,

IEEE-USA applauds the continued efforts of the administration and Congress to improve the U.S. patent system and reduce the cost of intellectual property protection. We also commend Congress and the administration for recognizing that U.S. technology entrepreneurs are substantially responsible for creating the largest percentage of new high paying jobs, and are key contributors to economic recovery and U.S. competitiveness in the global markets. However, we are concerned that the patent reform language of S. 515 now before Congress, while well intentioned, may not result in reducing the cost and latency of patents, and may in fact substantially impair the ability of small-sized technology companies and entrepreneurs to obtain funding, grow and create jobs, and thus compete successfully in the U.S. and globally.

IEEE-USA represents more than 210,000 engineers, scientists and allied professionals, whose jobs and livelihoods depend on American technology companies and their domestic research and development operations. Our members working for large and small companies, or as individual inventors or entrepreneurs, depend on the American patent system. Small-sized businesses and startup companies rely more heavily on patent protection and have been the source of most new domestic engineering jobs.

We believe that affordable and effective intellectual property protection is fundamental to U.S. entrepreneurship, and to the U.S. remaining the leader of the world economies. World technology leaders such as Microsoft, HP, Intel, and many others started as small domestic technology entrepreneurial companies, and their success was made possible by the protections afforded under U.S. IP laws. While not perfect, U.S. IP protection, more than any other, has protected the investments of our innovators and entrepreneurs.

Our primary concerns with S. 515's proposed legislation are that the bill abandons the 200 year-old proven First-to-Invent law and adopts a First-to-File law, and does not address the funding and operational issues within the PTO that are affecting the cost, quality and latency of patents.

The Small Business Coalition on Patent Legislation recently sent a letter (enclosed - <http://j.mp/SB-Coalition-Letter-to-SBA>), detailing the first-to-invent vs. first-to-file issue. IEEE-USA believes that the adverse effects described in this letter are likely and we are concerned that, if enacted, S. 515 will have a negative impact on our members' employment prospects.

Our concerns over the funding and operational issues, as well as other issues, are expressed in the enclosed IEEE-USA Position Statement, *Patent Reform: U.S. Innovations, Entrepreneurialism and Competitiveness*. Additionally, the IEEE-USA Position Statements – listed below and attached – address other aspects of U.S. intellectual property protection where we believe changes would be beneficial to US inventors and entrepreneurs:

- An overall approach to intellectual property protection
- Computer industry patents
- Closing the off-shore patent infringement loophole
- Multiple patent claim forms new forms of intellectual property protection
- New forms of intellectual property protection
- Patents should be limited to technology

We thank you for your attention to these important issues. If we can be of any assistance, or if you have any questions, please do not hesitate to contact Erica Wissolik at (202) 530-8347 or e.wissolik@ieee.org.

Sincerely,



Evelyn Hirt
2010 President, IEEE-USA



Keith Grzelak, M.S.E.E., J.D.
2010 Chairman, IEEE-USA Intellectual Property Committee