April 12, 2011

The Honorable Lamar Smith
Chairman
Committee on the Judiciary
U.S. House of Representatives
2138 Rayburn House Office Building
Washington, D.C. 20515

The Honorable John Conyers, Jr.
Ranking Minority Member
Committee on the Judiciary
U.S. House of Representatives
2138 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Smith and Ranking Minority Member Conyers:

The AFL-CIO believes that the proper functioning of the U.S. patent system is an important element in a comprehensive strategy to promote economic renewal with good jobs at good wages. Innovation is a key ingredient in fostering growth, job creation and rising living standards. We have measured all patent reform proposals by three benchmarks: effective remedies for patent infringement, an expeditious, non-frivolous and time certain review of issued patents, and necessary funding for the Patent and Trademark Office.

Earlier this year the Senate completed action on a patent reform bill. That legislation, though far from perfect, passed overwhelmingly and it was supported by a number of our affiliates. It was a fragile compromise, balancing a variety of different interests. We are concerned that H.R. 1249 upsets that delicate balance and puts at risk a real opportunity to enact a law that would improve the operation of the U.S. patent system and, as a result, promote innovation, production and job creation here in America. In particular, we believe that the House bill weakens important safeguards concerning time limits and standards for initiating administrative proceedings to review a granted patent. We believe these safeguards must be maintained. Patent holders should be supported by a system that gives them confidence in the validity of their patents and guards against serial challenges.
We are pleased that the bill does not change current law and practice on how damages are calculated for infringed patents, and that it ends the diversion of USPTO fees so that the office has sufficient resources to address the backlog of pending patents as well as the new tasks established by this legislation. The U.S. economy remains extremely weak, with high unemployment and stagnant wages. Patent reform should contribute to the economic recovery, not undermine it. We look forward to working with you to craft legislation that will spur domestic investment and jobs.

Sincerely,

William Samuel, Director
Government Affairs Department