USIJ Alliance of U.S. Startups and Inventors for Jobs

December 16, 2013

The Honorable Patrick J. Leahy Chairman, Committee on the Judiciary United States Senate 224 Dirksen Senate Office Building Washington, DC 20510

The Honorable Chuck Grassley Ranking Member, Committee on the Judiciary United States Senate 224 Dirksen Senate Office Building Washington, DC 20510

Re: Senate Judiciary Committee Hearing on "Protecting Small Businesses and Promoting Innovation by Limiting Patent Troll Abuse"

Dear Mr. Chairman and Ranking Member:

U.S. Start-Ups and Inventors for Jobs (USIJ) is an alliance of over 40 life sciences and high tech companies who have come together to help safeguard our nation's innovation ecosystem. In particular, we are deeply concerned that the patent litigation legislation pending in the Senate, as currently drafted, will cause great harm to the next wave of innovation we expect to come from U.S. start-up companies.

We ask that the Senate Judiciary Committee hold an additional hearing in January at which the testimony of start-ups, individual inventors, and universities can be heard.

These stakeholders rely on the protections of our patent system to justify investment in the high risk, big innovations that drive our economy. Much of the legislation, as currently drafted, will severely undermine the ability of start-ups to raise the capital they need to fund new inventions and bring them to market. Investors will not make the major investments needed to bring the next level of innovation forward without the promise of strong patent protection. Simply put, our nation's next big innovations that will refresh and grow our economy will never get off the ground.

We readily acknowledge that recently there have been a number of examples of abusive patent litigation (and pre-litigation) practices. But the medicine to cure such bad behavior should not be so toxic that it hinders legitimate inventors, startups, and universities from gaining fair, timely, and affordable access to our courts when their inventions are copied. Illegitimate demand letters are a problem but illegitimate copying of U.S. patented technology is a far greater problem with far greater negative consequences for our economy. We would like to work with Congress to help craft legislation that curbs bad behavior while preserving the way our innovation system and courts operate to protect inventions.

Sincerely,

Earl "Eb" Bright Chairman, Advisory Committee, USIJ