FOR IMMEDIATE RELEASE
August 25, 2025

The Alliance of U.S. Startups & Inventors for Jobs calls on lawmakers to support startups and oppose the ETHIC Act

WASHINGTON, D.C. — This July, the Eliminating Thickets to Improve Competition (ETHIC) Act was introduced in the Senate by Senators Peter Welch (D-VT), Amy Klobuchar (D-MN), and Josh Hawley (R-MO). The bill claims to facilitate easier market entry for generics and biosimilars by limiting pharmaceutical companies to asserting only one patent from a designated group in infringement challenges. However, this represents a significant threat to the constitutionally protected rights of patent holders in the U.S.

In response, Chris Israel, executive director of The Alliance of U.S. Startups & Inventors for Jobs, released the following comment urging lawmakers to stand up for innovation and oppose the ETHIC Act:

"This proposal represents a clear danger for startups across the pharmaceutical sector, which are responsible for the development of over half of the new medications approved by the FDA every year.

"Developing drugs is costly -- and new research has no guarantee of making it to market. Patents, therefore, offer valuable assurance for investors, allowing startups to receive critical funding.

"Weakening the patent rights of startups, and therefore their ability to effectively respond to infringement litigation, will harm their ability to conduct future life-saving research and development.

"We also urge lawmakers to consider that this proposed bill is itself predicated on a false idea -- that developers use 'clusters' of patents to hinder generic drug market entry. A recent study by the USPTO found no evidence of widespread use of so-called 'patent thickets'.

"Therefore, we implore lawmakers to end the perpetuation of untrue patent 'myths' such as this and focus instead on how to further empower startups, a critical pillar of American innovation."

Learn more about how lawmakers can support startups and their vital work here.

###

About The Alliance of U.S. Startups & Inventors for Jobs:
USIJ is an association of inventors, startups, venture capital investors, entrepreneurs and research organizations whose efforts to bring new companies and new technologies into being are

entirely dependent on a reliable system of patent protection. Collectively, we have launched dozens of companies in areas including biotechnology, cybersecurity, AI, semiconductors, medical devices and wireless technology.

Press Contact:
Chris Israel, USIJ
(202) 327-8100
israel@acg-consultants.com

https://usij.org/