April 28, 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,

AbbVie Abcam Allison Transmission, Inc. Amgen American Council on Education American Seed Trade Association Arizona Bioindustry Association (AZBio) Arizona State University Arsenal for Democracy Project Association of American Medical Colleges Association of American Universities Association of Public and Land-grant Universities Association of University Technology Managers AstraZeneca Auburn University Aware, Inc. **Ball State University BayBio** Bio Nebraska Biocom **BioForward BioHouston BioKansas BioNJ BioOhio** Bioscience Association of North Dakota (Bio ND) Bioscience Association of West Virginia (BioWV) **Biotechnology Industry Organization (BIO)** BioUtah Boehringer Ingelheim **Boston University** Brandeis University **Brown University** California Healthcare Institute (CHI) Cantor Fitzgerald, LP Carnegie Mellon University Case Western Reserve University City College of New York **Clemson University Cleveland State University** College of William & Mary Colorado Association of Commerce & Industry (CACI) Colorado Bioscience Association

Colorado School of Mines Colorado State University Colorado State University System **Cornell University Council on Governmental Relations** Cummins Allison Corp. CURE—Connecting Connecticut's Science Community **Delaware Bio Digimarc** Corporation Dolby Laboratories, Inc. **Duke University** Eagle Forum **Emory University** Fallbrook Technologies, Inc. Florida A&M University Florida State Hispanic Chamber of Commerce Georgia Institute of Technology GeorgiaBio GlaxoSmithKline Healthcare Institute of New Jersey (HINJ) Higginbotham Insurance Idaho State University Illinois Biotechnology Industry Organization-iBIO® Indiana Health Industry Forum (IHIF) Indiana University INDUNIV Research Consortium/Bio Alliance of Puerto Rico Innovation Alliance (IA) **InterDigital** Iowa State University IowaBio Johns Hopkins University Kansas State University Kentucky Life Science Council Louisiana Tech University MassBio Medical Device Manufacturers Association (MDMA) Merck Miami University MichBio Michigan State University Michigan Technological University Mississippi State University Missouri University of Science and Technology Monsanto Montana BioScience Alliance Montana State University

National Academy of Inventors New Mexico Biotechnology & Biomedical Association (NMBio) New Mexico State University New York University **NewYorkBIO** North Carolina Biosciences Organization (NCBIO) North Carolina State University Northern Illinois University Northwestern University Novartis Novo Nordisk Ohio State University Ohio University Oklahoma State University Oregon Bioscience Assocation Oregon State University Paul R. Michel, Chief Judge, U.S. Court of Appeals for the Federal Circuit (Ret) Pennsylvania BIO Pennsylvania State University Pfizer Pharmaceutical Research and Manufacturers of America (PhRMA) Portland State University Purdue University QUALCOMM, Inc. **Rice University** Rutgers, The State University of New Jersey San Francisco State University **SCBIO** Shire SoCalBio South Dakota Biotech South Dakota State University Southern Illinois University at Carbondale Stony Brook University - State University of New York Tessera **Texas BioAlliance** Texas Healthcare and Bioscience Institute (THBI) **Texas State University** Texas Tech University **Tulane University** University at Buffalo - State University of New York University of Akron University of Alabama at Birmingham University of Arizona University of Arkansas University of California, Merced

University of Cincinnati University of Colorado at Boulder University of Colorado System University of Connecticut University of Delaware University of Florida University of Georgia University of Hawaii University of Houston University of Idaho University of Illinois at Chicago University of Illinois at Urbana-Champaign University of Illinois System University of Kansas University of Kentucky University of Louisville University of Maryland, College Park University of Massachusetts University of Michigan University of Minnesota University of Mississippi University of Missouri - Kansas City University of Missouri - St. Louis University of Missouri System University of Montana University of Nebraska University of Nevada, Reno University of New Hampshire University of New Mexico University of North Carolina at Chapel Hill University of North Carolina at Greensboro University of North Carolina at Wilmington University of North Carolina System University of North Texas University of Oklahoma University of Oregon University of Pennsylvania University of Pittsburgh University of Rhode Island University of Rochester University of South Alabama University of South Carolina University of South Florida University of Southern California University of Tennessee System University of Tennessee, Knoxville

University of Texas at Austin University of Texas at Dallas University of Toledo University of Vermont University of Virginia University of Washington University of Wisconsin Colleges University of Wisconsin System University of Wisconsin-Extension University of Wisconsin-Madison University of Wisconsin-Milwaukee University of Wyoming University System of Maryland **USBIC Educational Forum USG** Corporation Virginia Bio Washington Biotechnology & Biomedical Association (WBBA) Washington State University Washington University in St. Louis Wayne State University West Virginia State University West Virginia University Western Michigan University Yale University