



Dorothy Coleman

Vice President

Tax and Domestic Economic Policy

May 18, 2007

The Honorable John Conyers
Chairman, Judiciary Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Lamar Smith
Ranking Members, Judiciary Committee
U.S. House of Representatives
Washington, DC 20515

RE: H.R. 1908, the “Patent Reform Act of 2007.”

Dear Chairman Conyers and Representative Smith:

On behalf of the National Association of Manufacturers (NAM)—the nation’s largest industrial trade association—thank you for your efforts to reform our nation’s patent laws. Manufacturers currently hold 60 percent of patents granted in the United States and NAM members, including companies of all sizes and in every industry sector, have a keen interest in meaningful patent reform. At the same time, we have serious reservations about the Patent Reform Act of 2007 (H.R. 1908) approved May 16th by the House Judiciary Courts, the Internet and Intellectual Property Subcommittee.

In general, NAM members are concerned that H.R. 1908 does not reflect many of the improvements suggested by the National Academies of Sciences and could have a significant, negative impact on research and innovation. In particular, NAM opposes the current provisions in the bill on apportionment of damages, certain elements of the post-grant opposition procedure, and the provision that would give the director of the U.S. Patent and Trademark Office substantive rule-making authority. We also are concerned that the legislation fails to repeal the best mode requirement or address reform of inequitable conduct. Consequently, NAM is opposed to H.R. 1908 in its current form.

We are pleased however, that H.R. 1908 does include several provisions supported by NAM that would help eliminate unnecessary cost and complexity in the U.S. patent system. These include creating a first-inventor-to-file system, expanding the opportunity to submit prior art to patent examiners, limiting willful infringement and extending prior user rights.

Innovation is one of our nation’s greatest strengths and a major contributor to our economic growth and industrial competitiveness. A key factor in the success of an innovative economy is a strong intellectual property regime that allows innovators to recoup their risk investments. As H.R. 1908 moves through the process, we strongly urge you to address the issues of concern to the NAM that are outlined above.

NAM members agree on the need for all parties to reach consensus on meaningful patent reform and we believe that H.R. 1908 will provide a vehicle for this agreement. We look forward to working with you and your staff to advance pro-growth, pro-innovation patent legislation. Thank you in advance for considering our request. If you have any questions, please do not hesitate to contact Marc-Anthony Signorino, NAM’s Director of Technology Policy, at 202/637-3072 or [msignorino@nam.org](mailto:mignorino@nam.org).

Sincerely,

A handwritten signature in black ink that reads 'Dorothy Coleman'. The signature is written in a cursive, slightly slanted style.

cc: Members of the House Judiciary Committee

Manufacturing Makes America Strong