May 15, 2007

The Honorable Nancy Pelosi Speaker of the House H-232, the U.S. Capitol Washington, DC 20515

The Honorable John Boehner House Minority Leader H-204, the U.S. Capitol Washington, DC 20515 The Honorable Harry Reid Senate Majority Leader S-221, the U.S. Capitol Washington, DC 20510

The Honorable Mitch McConnell Senate Minority Leader S-230, the U.S. Capitol Washington, DC 20510

Dear Speaker Pelosi, Leader Reid, Leader Boehner and Leader McConnell:

On behalf of the undersigned companies, associations, venture capital firms and academic institutions representing and working with our nation's pioneering industries – electronics, telecommunications, life sciences, computer hardware, financial services, chemical, and biotechnology – we are writing to voice concern with certain provisions of patent reform legislation (H.R. 1908/S. 1145 – The Patent Reform Act of 2007) currently under consideration by Congress. We believe in measured and equitable patent reform that enhances clarity, fairness, and objectivity in our patent system to the benefit of innovative businesses in all sectors of our nation's economy. Unfortunately, we also believe that some of the proposed reform provisions hold serious negative consequences for continued innovation and American technological leadership in the increasingly competitive 21st century global economy.

As recognized in *The Innovation Agenda*, "Americans must continue to innovate in order to create new thriving industries that will produce millions of good jobs here at home and a better future for the next generation." We wholeheartedly agree, and support the *Agenda's* goals of educating a new generation of innovators, sustaining the federal commitment to research and development, and removing the hurdles that hinder entrepreneurial, small business success.

We also support *The Innovation Agenda's* call to improve intellectual property protections, strengthen the patent system, and end the diversion of patent fees. To that end, we welcome the leadership of Chairman Howard Berman and Chairman Patrick Leahy in working to address several of the patent reform suggestions outlined by the National Academies and others in their recently introduced legislation. *However, we strongly believe that certain provisions, such as those dealing with apportionment of monetary damages for patent infringement, expansive PTO rule making authority, an open-ended post grant opposition system, and a narrow grace period will not strengthen our patent system but instead will fundamentally undermine patent certainty, discourage investment in innovative*

technologies, and reduce publication and collaborative activities among academic scientists.

For companies (directly, and as university licensees) in industries such as ours, the consequences – greater bureaucracy, inability to rely on valid patents, weakened protections against infringement and a decreased access to capital -- would be devastating. The harm to investment in tomorrow's technologies would be felt immediately, and would hurt U.S. competitiveness for years to come. As the U.S. presses for strong patent protections abroad, Congress should preserve strong protections at home, so that we retain our competitive edge in the global economy.

We remain committed to working with Congress in support of proposals to strengthen the U.S. patent system in ways that will preserve and promote innovation in businesses large and small, throughout all sectors of the economy. We therefore request, in the spirit of *The Innovation Agenda*, that you ensure that Congress carefully, deliberatively, and thoughtfully addresses these concerns as it considers the most dramatic patent reform legislation in over 50 years.

Thank you.

cc: The Honorable Patrick J. Leahy, Chairman, Senate Committee on the Judiciary; The Honorable Arlen Specter, Ranking Member, Senate Committee on the Judiciary; The Honorable John Conyers, Jr., Chairman, House Committee on the Judiciary; The Honorable Lamar Smith, Ranking Member, House Committee on the Judiciary; The Honorable Howard Berman, Chairman, Subcommittee on Courts, the Internet and Intellectual Property;
The Honorable Howard Coble, Ranking Member, Subcommittee on Courts, the Internet and Intellectual Property;

Members of Senate Committee on the Judiciary; Members House Committee on the Judiciary.

Abbott Abbott Park, IL

Abeille Pharmaceuticals, Inc. Princeton, NJ

Acorn Cardiovascular Inc. St. Paul, MN

Adams Capital Management Sewickley, PA

Adroit Medical Systems, Inc. Loudon, TN Affinergy, Inc. Research Triangle Park, NC

Almyra, Inc. Boxborough, MA

AmberWave Systems Salem, NH

Amylin Pharmaceuticals San Diego, CA

Applied Medical Resources Corporation Rancho Santa Margarita, CA Argentis, LLC Memphis, TN

Arizona BioIndustry Association Scottsdale, AZ

ARYx Therapeutics Fremont, CA

Ascenta Therapeutics, Inc. San Diego, CA

Aspire Medical, Inc. Sunnyvale, CA

AVAcore Technologies, Inc. Ann Arbor, MI

Aware, Inc. Bedford, MA

Barrier Therapeutics, Inc. Princeton, NJ

Baxa Corporation Englewood, CO

BioCardia, Inc. South San Francisco, CA

BIOCOM San Diego, CA

Biogen Idec Cambridge, MA

BioMarin Pharmaceutical Inc. Novato, CA

BioMedical Strategies LLC La Jolla, CA

BioOhio Columbus, OH

Biotechnology Council of New Jersey Trenton, NJ

Biotechnology Industry Organization Washington, DC

Boston Scientific Corporation Natick, MA

BuzzLogic San Francisco, CA

California Healthcare Institute La Jolla, CA

Canopy Ventures Lindon, UT

CardioDynamics San Diego, CA

Celgene Corporation Summit, NJ

Cell Genesys, Inc. South San Francisco, CA

Colorado BioScience Association Denver, Colorado

Corning Corning, NY

Coronis Medical Ventures Sunnyvale, CA

Dartmouth Regional Technology Center, Inc. Lebanon, NH

Dynatronics Corporation Cottonwood Heights, UT

Elan Pharmaceuticals, Inc. San Diego and South San Francisco, CA

Emphasys Medical, Inc. Redwood City, CA

Enterprise Partners Venture Capital La Jolla, CA

eyeonics, Inc. Aliso Viejo, CA

Fallbrook Technologies Inc. San Diego, CA Genentech, Inc. South San Francisco, CA

Genmab A/S Princeton, NJ

Genomic Health, Inc. Redwood City, CA

Gen-Probe Incorporated San Diego, CA

Georgia Biomedical Partnership Atlanta, GA

Glacier Cross, Inc. Kalispell, MT

Hawaii Science & Technology Council Honolulu, Hawaii

Health Institute of New Jersey Bridgewater, NJ

Helius, Inc. Lindon, UT

iBIO Chicago, IL

Indiana Health Industry Forum Indianapolis, IN

InterDigital Communications Corporation King of Prussia, PA

Intermolecular, Inc. San Jose, CA

Invitrogen Corporation Carlsbad, CA

Iowa Biotechnology Association Des Moines, IA

ISTA Pharmaceuticals Irvine, CA

Kansas Bioscience Organization (KansasBio) Lenexa, KS Life Science Alley St. Louis Park, MN

LSI Corporation Allentown, PA

Masimo Corporation Irvine, CA

Massachusetts Biotechnology Council Cambridge, MA

MassMEDIC Boston, MA

Maxygen Inc. Redwood City, CA

Medical Device Manufacturers Association Washington, DC

MedImmune, Inc. Gaithersburg, MD

Metabasis Therapeutics, Inc. San Diego, CA

Metabolex, Inc. Hayward, CA

MichBio Ann Arbor, MI

MGI PHARMA, INC. Bloomington, MN

Mohr Davidow Ventures Menlo Park, CA

Monsanto St. Louis, MO

Nektar Therapeutics San Carlos, CA

NeuroPace, Inc. Mountain View, CA

New Mexico Biotechnology and Biomedical Association Albuquerque, NM The Norseman Group Parsippany, NJ

North Carolina Biosciences Organization Durham, NC

Novo Nordisk, Inc. Princeton, NJ

NRG, Inc. Plano, TX

NuVasive, Inc. San Diego, CA

Nuvelo, Inc. San Carlos, CA

Palmetto Biotech Alliance Columbia, SC

Pennsylvania BIO Malvern, PA

Princeton BioMeditech Corporation Princeton, NJ

QUALCOMM, Inc. San Diego, CA

Radiant Medical, Inc. Redwood City, CA

Retractable Technologies, Inc. Little Elm, TX

Sangamo Biosciences Richmond, CA

Satiety, Inc. Palo Alto, CA

SmoothShapes, Inc. Merrimack, NH

Southern California Biomedical Council Los Angeles, CA

StemCells, Inc. Palo Alto, CA Symyx Technologies, Inc. Sunnyvale, CA

Tech Council of Maryland/MdBio Rockville, MD

Tennessee Biotechnology Association Nashville, TN

Tessera San Jose, CA

Texas Healthcare and Bioscience Institute Austin, TX

The University of New Hampshire Durham, NH

The University of Utah Salt Lake City, UT

USGI Medical San Clemente, CA

Utah Technology Council Salt Lake City, UT

Vertex Pharmaceuticals Incorporated Cambridge, MA

Virginia Biotechnology Association Richmond, VA

VisionCare Ophthalmic Technologies, Inc. Saratoga, CA

Washington Biotechnology and Biomedical Association Seattle, WA

Wescor, Inc. Logan, UT

Wisconsin Alumni Research Foundation Madison, WI

Wisconsin Biotechnology & Medical Device Association Madison, WI