Congress of the United States Washington, DC 20515

July 19, 2021

President Joseph R. Biden The White House 1600 Pennsylvania Avenue Washington, DC 20500

Dear Mr. President,

As supporters of the U.S. manufacturing industry, we are encouraged by your promise to restore American manufacturing. To that end, our nation must create an environment where manufacturing can thrive – increasing the number of skilled, high-wage jobs available to millions of Americans. While the post-COVID business environment is promising, we remain concerned that flaws in our patent litigation system leave manufacturers particularly vulnerable to abusive infringement claims at this critical time.

Patent litigation increased by 12.5% in 2020, the largest spike in over five years. In the first quarter of 2021, patent lawsuit filings are up 20% over the same quarter last year, which is the largest spike since 2015. While some of these patent lawsuits have merit, the majority were filed by patent trolls - companies that produce no goods or services, have no employees, no websites, and no physical office address. For example, a single patent troll filed lawsuits against 153 different companies in just the first quarter of 2021. These increases in litigation are hitting American manufacturers the hardest – over 40% of all patent infringement lawsuits last year were filed against American manufacturing companies.

Patent troll lawsuits are increasing due to recently instituted policy changes at the U.S. Patent and Trademark Office (USPTO). Among the most problematic is USPTO's increasing refusal to review patents of questionable merit using the inter partes review (IPR), a patent quality measure created by Congress a decade ago as part of the bipartisan America Invents Act.

America deserves a USPTO Director who will protect domestic manufacturing, improve patent quality, and promote and protect the legal tools in the America Invents Act that enable manufacturers to defend themselves against patent troll litigation.

We urge you to show your support for our manufacturing economy by appointing a Director as quickly as possible who will promote invention and innovation instead of policies designed to encourage litigation and the interests of patent trolls.

Sincerely,

¹ https://www.unifiedpatents.com/insights/2020-patent-dispute-report-year-in-review

² https://www.rpxcorp.com/intelligence/blog/q1-in-review-patent-litigation-surged-as-third-party-funding-further-unshackled-npes/

³ Ibid

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Ralph Norman Member of Congress

John R. Curtis Member of Congress

Mike Simpson Member of Congress