

UNITED *for* PATENT REFORM

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USPTO Must Consider Views of All Stakeholders

The United States Patent and Trademark Office (USPTO) and its director must consider the views of all stakeholders, and Congress should use its oversight role to insure PTO does so. That is the message hundreds of companies, startups and trade associations representing manufacturers, retailers and high tech are conveying to the Senate Judiciary Subcommittee on Intellectual Property as part of Wednesday's USPTO Oversight Hearing.

“The USPTO’s actions over the last year appear to reflect the views of a vocal group of patent owners, rather than the broad consensus of stakeholders whose businesses are affected by patents,” said Stephanie Martz, co-chair of the United for Patent Reform coalition and SVP & General Counsel of the National Retail Federation. “While PTO director Andrei Iancu has said it is best ‘to [weigh all points of view](#)’ in order to ‘determine the overall best approach for the patent system as a whole,’ many of his actions and speeches have ignored input from a broad range of stakeholders. He has dismissed those who raise the problems of poor patent quality and crushing litigation burdens while changing policy through Administrative action to undermine Congress’ intent to address those problems. The USPTO’s recent weakening of the Inter Partes Review program created by Congress to improve patent quality and provide a cheaper, faster alternative to litigation is particularly concerning.”

The Director’s [remarks](#) to the Eastern District of Texas Bar Association late last year derided legitimate concerns about the patent system, going so far as to label patent trolls as “fairy tales.” Verifiable evidence conflicts with the assertions made in that speech. NPE (nonpracticing entity) litigation still represents the majority of patent litigation, and approximately [85% of all litigation involving high-tech patents](#). The negative impact of NPE litigation on R&D at targeted companies is [well-documented](#). While patent litigation filings have dropped from their high point in 2013, [they’ve only done so slightly](#), returning to levels seen in the 2009 era, long after the recent spike in patent litigation activity had become firmly established.

Suggestions by the Director that Congress and the U.S. Supreme Court have “over-corrected” abuses of the patent system are demonstrably false. Those claims come at a time when investment is flowing rapidly into all areas of advancement. R&D is [growing at historic rates in biotechnology, drug delivery](#), and in every aspect of [software and networking](#).

Congress should hold the USPTO to Director Iancu’s own words and ensure the agency engages fully and impartially with all stakeholders. This must include stakeholders whose ability to innovate and create jobs is harmed by poor quality patents and baseless litigation.

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About United for Patent Reform

United for Patent Reform is a broad coalition of diverse American businesses—from national Realtor, construction, and technology businesses to Main Street retail shops, automobile manufacturers, hotels, grocers, convenience stores, and restaurants—pursuing comprehensive solutions to abusive patent litigation. For more information, visit <http://www.unitedforpatentreform.com/> and follow us on Twitter at [@U4PatentReform](https://twitter.com/U4PatentReform).