520 Elliot St · suite 200
charlotte, nc
28202

phone: 704.333.5335
fax: 704.333.5115
web: www.enventys.com

May 4, 2011

The Honorable Lamar S. Smith
Committee on the Judiciary
2138 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Smith:

Let me congratulate you for your efforts that led to the 32-3 vote of the House Judiciary Committee to favorably report the "America Invents Act" (H.R. 1249) to the House floor. Your persistence over the past six years to achieve comprehensive and balanced patent reform legislation has taken the United States to the cusp of an historic opportunity to improve the lives of all Americans.

As an independent inventor, I have successfully filed numerous patent applications, navigating the intricacies of a challenging and costly patent system. Under our current first-to-invent framework, the prospect of becoming involved in a contest to determine whether I or another inventor was the first to make an invention is truly frightening. Not only have I learned that I must meticulously record my research activities and have these records corroborated to ensure that I will at least have an opportunity to prove that I first made an invention, but the legal expenses are daunting. The average total cost for a two-party priority contest in the USPTO is more than $700,000, and one of the two parties involved in such a contest will lose.

Accordingly, "The America Invents Act" will especially benefit independent inventors by making us more competitive in today's global marketplace. America's economic future rests on our ability to innovate new technologies that change the way people work, live and play. Moreover, as we near a vote on this vital legislation in the House of Representatives, I want to emphasize that my experience traveling the country and working with other independent inventors has only strengthened my belief that moving to a first-inventor-to-file system is a critical component of any comprehensive patent reform bill

Specifically, the failure of the current first-to-invent rule in US law is brought into sharp focus when one considers the lack of benefits it actually offers to independent inventors. For example, I understand that USPTO statistics confirm that since 2005, 3 million patent applications have been filed, 1.2 million patents have been granted, and more than 500 contests have been conducted to determine which of rival inventors was first to make an invention – and only once

has an independent inventor who was second to file actually been declared to be the first inventor and entitled to the patent. Not a very good record of success for the independent inventor under our current system.

On the other hand, there are many benefits for the independent inventor that would flow from the US adopting a first-inventor-to-file system. It would eliminate the prospect of having to engage in such a priority contest with an inventor from another country, a prospect that was made possible by treaty in 1995. Not only would the costs escalate when attempting to challenge the date a foreign inventor allegedly made an invention, but also would anyone truly believe that a US inventor would always be able to fairly uncover all relevant facts in such a contest?

Further, we must recognize that the US functions in a global economy. In order to protect our products in foreign markets, we must obtain patents in countries that all currently operate on a first-inventor-to-file basis. This means that our foreign competitors promptly file in their home countries, thus obtaining a filing date that, as explained, essentially determines the outcome of priority contests in the US. Relying on the possibility that one can safely delay entering the US patent system on the false expectation that one could still obtain a patent by proving first to invent is to cede the US market and other markets to our foreign competitors.

Fundamentally, independent inventors will benefit from the first-inventor-to-file system that "The America Invents Act" provides. It will make the entire patent process for independent inventors quicker, less expensive, and fairer, and will yield greater certainty and predictability.

We cannot afford to lose the opportunity that is now within our grasp. The call for adoption of a first-inventor-to-file system dates back to 1966 when it was the first of thirty-five recommendations issued by the President's Commission on the Patent System for improvements. This call was again made in the first recommendation of Commerce Secretary Mosbacher's Advisory Commission on Patent Law Reform in 1992. And in 2004, the National Research Council of the National Academy of Sciences, following several years of research by a blue ribbon panel of scholars and experts, again recommended that the United States adopt a first-inventor-to-file system. The time has come for the United States to embrace this best practice.

One final point, some have also argued that H.R. 1249 "totally repeals" the one year period of grace that current law gives inventors to perfect and test an invention before filing a patent application. This is factually incorrect. Not only does H.R. 1249 continue to provide inventors a one-year grace period, but it also improves the grace period of existing law by providing that an inventor who makes the first public disclosure of an invention, before any patent on the invention has been sought, is guaranteed that only that inventor can patent the invention. Under existing law, such a public disclosure can spur a competitor to file for and obtain a patent for the disclosed invention—which could actually prevent the inventor who disclosed the invention using the invention.

Please do not hesitate to contact me if I can be of any assistance in helping expedite passage of this critical legislation.

Sincerely,

Louis J. Foreman

Cc: The Honorable John Conyers, Jr.
The Honorable Robert W. “Bob” Goodlatte
The Honorable Melvin L. “Mel” Watt