



September 23, 2011

The Honorable Harry Reid
Majority Leader
United States Senate
522 Hart Senate Office Bldg
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
361-A Russell Senate Office Bldg
Washington, DC 20510

RE: Full Funding for the U.S. Patent and Trademark Office

Dear Senators Reid and McConnell:

We urge you to amend the continuing resolution (H.R. 2608) to provide an anomaly to the U.S. Patent and Trademark Office (USPTO) that would allow the USPTO to spend all of the user fees it collects.

Just last week the President signed the Leahy-Smith America Invents Act, which passed Congress with strong bipartisan support. The law was touted by Democrats and Republicans as a job creation measure. A fundamental assumption underlying the law is that the USPTO will have access of all user fees. The agency has been denied access to some \$900 million in fees, including nearly \$100 million in fiscal year 2011. Full funding going forward is essential for the USPTO to implement the provisions of the new law and shorten the long wait time to obtain patents.

When the Senate passed its version of the America Invents Act by a vote of 95-5, it included a revolving fund that would have given the USPTO access to user fees automatically. That provision was removed in the House, but leaders promised full USPTO funding. Subsequently, both Senate and House CJS Appropriations bills have included \$2.7 billion in funding for the USPTO (adopting the President's recommendation). Both CJS bills also provide the USPTO with access to the "Reserve Fund" created by the America Invents Act.

Our 200 member companies and 12,000 individuals involved in the work of our association will be very disheartened if the implementation of the new law is jeopardized or delayed. Even 7 weeks of delay in beginning the hiring of the hundreds of new employees needed to implement the law and improve operations will be damaging. Moreover, our members are painfully aware that continuing resolutions often have been extended for months or even a full year.

The key point is this:

In reality it costs taxpayers nothing to give the USPTO access to its fees in the continuing resolution. Failure to provide the USPTO an anomaly will not only delay the creation of desperately needed investment incentives and jobs but also undermine the

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Michael D. Nolan
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Executive Director
Herbert C. Wamsley

INTELLECTUAL PROPERTY OWNERS ASSOCIATION

trust that USPTO stakeholders put in Congress when they supported the patent reform bill.

We urge you to provide an anomaly for the USPTO in the current CR consistent with the CJS fiscal year 2012 bills.

Sincerely,

A handwritten signature in black ink that reads "Herbert C. Wamsley". The signature is written in a cursive style with a large, looping initial 'H'.

Herbert C. Wamsley
Executive Director