September 20, 2007

To: The Honorable Patrick J. Leahy
   Chairman
   Committee on the Judiciary
   U.S. Senate
   Washington, D.C. 20510

From: Pamela Banner Krupka
   Chair
   Section of Intellectual Property Law


Dear Chairman Leahy:

I am writing to express the opposition of the Section of Intellectual Property Law of the American Bar Association (“the Section”) to the enactment of either S. 1145 or H.R. 1908, the “Patent Reform Act of 2007.” S. 1145 was ordered favorably reported by the Committee on the Judiciary on July 19; H.R. 1908 passed the House on September 7 and is pending on the Senate Calendar. These views have not been considered by the ABA House of Delegates or Board of Governors, and should not be considered to be views of the Association.

For the past two and one-half years, the Section has worked diligently to develop and advocate changes that would improve patent quality, strengthen the patent system, and make it fair and equitable to small and large enterprises and individual inventors across the spectrum of innovative industries in this country. Our White Paper: Agenda for 21st Century Patent Reform details changes that the Section believes would improve and modernize the patent laws and position the United States to continue to be the world leader in innovation and technological development in the 21st century.

Notwithstanding the Section’s strong commitment to patent law reform, we cannot support harmful reforms, and we believe that the bills pending in the Senate offer more harm than benefit. While the bills contain many provisions that we support, they contain several provisions that compel the Section to oppose their enactment. One or both bills contain:

- Unfair and ambiguous provisions for the calculation of reasonable royalty damages.
- Unnecessary and ill-advised changes to the federal venue rules for patent cases.
- Misguided limitations on the adoption of a first-inventor-to-file system and associated revisions to novelty and obviousness standards.
- Post-grant review procedures that will create uncertainty and add unnecessarily to the expense of maintaining a patent position.
- Inadequate reform of the law of inequitable conduct.
- Inappropriate ceding of congressional responsibilities to the Director of the U.S. Patent and Trademark Office.
- Undue burdening of patent applicants by permitting the Director to require applicants to conduct searches for all patent applications.

The Section will continue to work toward meaningful patent law reform, and looks forward to working with Congress toward that end. However, we have reluctantly concluded that meaningful reform will not result from final legislation based on the pending bills. We oppose the enactment of either S. 1145 or H.R. 1908.

Sincerely,

Pamela Banner Krupka
Chair
Section of Intellectual Property Law

cc: The Honorable Orrin G. Hatch