



The Honorable Michael M. Honda
US House of Representatives
Longworth House Office Building 1713
Washington, DC 20515

The Honorable Zoe Lofgren
US House of Representatives
Longworth House Office Building 1401
Washington, DC 20515

The Honorable Anna G. Eshoo
US House of Representatives
Cannon House Office Building 241
Washington, DC 20515

July 15, 2013

Dear Reps. Honda, Lofgren and Eshoo:

On behalf of BSA | The Software Alliance, I write to express strong support for the PATENT Jobs Act (H.R. 2582), which would exempt the US Patent and Trademark Office (USPTO) from budget sequestration, thereby ensuring it can continue conducting self-funded operations that produce tremendous economic and social value for the United States.

The USPTO plays an indispensable role in sparking the growth of America's innovation economy. The PATENT Jobs Act recognizes that sequestering \$150 million of its budget would be hugely counterproductive, especially in light of the fact that this money is derived from patent fees collected for the purpose of patent examinations.

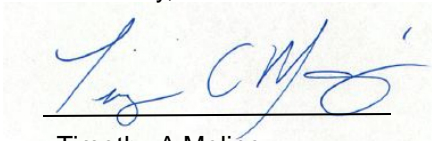
BSA believes it is especially important for Congress to quickly advance H.R. 2582 in light of the current backlog of more than 600,000 patent applications awaiting first review. The average pendency is three years. A funding cut would further exacerbate this problem. We are also concerned it could delay the opening of much-needed new USPTO satellite offices in Denver, Dallas and Silicon Valley.

The combined effect of reducing the USPTO's operating capacity at a time when it needs to expand would be to slow down the pace at which American businesses can bring new innovations to market. This would needlessly hamper the country's leadership position in a wide range of technologies. By passing the PATENT Jobs Act, Congress has an opportunity to steer us down a better path.

It is important to note that H.R. 2582 also comports with the America Invents Act (AIA), which is now coming into full effect. The AIA includes a provision intended to ensure that excess fees collected from inventors and patentees are used to provide critical, time-sensitive services and guarantee continuity of USPTO operations independent of political considerations. The AIA emphasizes these fees are unique from ordinary discretionary government spending — and Congress has previously exempted from sequestration “activities financed by voluntary payments to the Government for goods or services to be provided for such payments.” 2 U.S.C 905 (g) (1) (A).

For all of these reasons, we commend your introduction of the PATENT Jobs Act and look forward to working with you to ensure it garners broad bipartisan support.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Timothy A. Molino', is written over a horizontal line. The signature is fluid and cursive.

Timothy A Molino

Director, Government Relations