

Building & Construction Trades Department (BCTD), AFL-CIO
Communications Workers of America (CWA)
Department for Professional Employees (DPE), AFL-CIO
International Association of Machinists and Aerospace Workers (IAM)
International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers (IBB)
International Brotherhood of Teamsters (IBT)
International Federation of Professional and Technical Engineers (IFPTE)
International Union of Painters and Allied Trades (IUPAT)
Laborers' International Union of North America (LIUNA)
Metal Trades Department, AFL-CIO
Patent Office Professional Association (POPA)
United Association of Plumbers and Pipe Fitters (UA)
UNITE HERE
United Steelworkers (USW)

February 6, 2008

VIA FAX

United States Senate
Washington, D.C. 20510

Dear Senator:

We are writing to express our deep concern over provisions contained in S. 1145, the Patent Reform Act of 2007, that we believe could undermine the competitiveness of U.S. industry and put our members' jobs at risk. This legislation may be considered on the floor of the Senate in the very near future and, we believe, the legislation is in need of dramatic reform.

We are proud to represent workers in a variety of occupations and millions of workers in a wide range of manufacturing industries who have faced enormous pressures from international competition in recent years. The current economic downturn has already been felt throughout our economy – we must not enact legislative changes that may further exacerbate the pain that has been felt and put at risk the ability to innovate and produce in America.

We recognize that some changes to the U.S. patent system may be in order, but key parts of the proposed legislation may have the effect of increasing the likelihood of American inventions being stolen by our international competitors and, consequently, inhibiting sorely needed new investment in domestic manufacturing. As such, we cannot support the bill in its current form.

The last seven years have witnessed an unprecedented decline in the international trade position of the United States. Our nation's trade deficit continues to sap our economic strength. Some three million manufacturing jobs have disappeared, wages have been stagnant or falling, income inequality has grown and scores of communities across this country have been devastated. We need to enact reforms to reverse this decline, not contribute to it.

The American economy relies on the ingenuity and imagination of inventors coupled with the hard work and dedication of our workers, to drive our economy and the creation of jobs. The U.S. patent system, the strongest in the world, has protected the work of the inventor, solidified our leadership in innovation and allowed the American economy to produce the jobs and products of the future. S. 1145 would significantly weaken that protection making it far easier for our competitors to gain access to this knowledge and steal it for their own individual gain. We are particularly concerned about three areas in this proposed legislation: changes to how damages for infringement are calculated; changes to the post-grant procedures; and changes to whose pending applications get published prior to the grant of a patent. All of these changes increase the likelihood of American inventions being stolen and provide incentives for American manufacturers to simply license their technology for production overseas. This is unacceptable.

These views are underscored by a recent article written by Yongshun Cheng, former judge in the high court of Beijing and one of the world's leading experts in the field of intellectual property. Judge Cheng, who now runs a non-profit organization dealing with intellectual property issues, said the following regarding S. 1145/H.R. 1908:

[I]n general the bill favors infringers and burdens patentees more. It is not bad news for developing countries which have lower technological development and relatively fewer patents. Due to the weak foundation of patents, the Chinese products often encounter trouble in the U.S. market. This bill will provide more mechanisms and flexibilities in making patent challenge strategies, and also lower the cost of infringement, therefore the infringement will become easier;

At a time when the rampant piracy of intellectual property by our global competitors is growing, Congress should not give these competitors yet another advantage. We urge your opposition to the bill in its current form and hope to work with you to improve the U.S. patent system without disadvantaging American workers and stifling American innovation.

Sincerely,

Building & Construction Trades Department (BCTD), AFL-CIO
Communications Workers of America (CWA)
Department for Professional Employees (DPE), AFL-CIO
International Association of Machinists and Aerospace Workers (IAM)
International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers (IBB)
International Brotherhood of Teamsters (IBT)
International Federation of Professional and Technical Engineers (IFPTE)
International Union of Painters and Allied Trades (IUPAT)
Laborers' International Union of North America (LIUNA)
Metal Trades Department, AFL-CIO
Patent Office Professional Association (POPA)
United Association of Plumbers and Pipe Fitters (UA)
UNITE HERE
United Steelworkers (USW)