



Motor & Equipment Manufacturers Association

Your First Call for Global Intelligence on the Motor Vehicle Supplier Industry

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February 27, 2008

The Honorable Carl Levin
United States Senate
Russell Senate Office Building, Room 269
Washington, DC 20510

Dear Senator Levin,

As the representative for the nation's largest manufacturing sector which directly employs 783,100 workers and contributes to 4.5 million private industry jobs here in the United States, the Motor and Equipment Manufacturers Association (MEMA)¹ is concerned about S. 1145, the Patent Reform Act, that is expected to be taken up in the coming weeks.

MEMA believes that a strong and vibrant patent system should be a priority for our country. The motor vehicle supplier industry is at the forefront of automotive research and development, spending more than \$6.8 billion annually on R&D. These expenditures account for 40 percent of total automotive investment in research and development and are fundamental in the design, testing, and engineering of new safety and fuel efficiency technology critical to the next generation of motor vehicles.

Given our investment into technology, we are strong supporters of any changes to the patent system which would keep the United States the leader in technological innovation. However, we are concerned that several provisions in S. 1145 as reported out of the Judiciary Committee will have the opposite effect. Before the Senate considers this legislation, these provisions must be changed to prevent weakening our patent system.

The changes to the apportionment of damages under the bill weaken the penalties for infringement to the point that there is very little deterrent for usurping the intellectual

¹ MEMA represents an industry of more than 8,000 original equipment, aftermarket, and heavy duty manufacturers of motor vehicle parts, components, technology, tools and related products. MEMA's members manufacture the products and technology used in the production of more than 12 million cars and trucks in the U.S. annually, as well as the aftermarket products used to repair and maintain the over 244 million vehicles currently on American roads and highways. A copy of the state-by-state breakdown is attached.



Automotive Aftermarket
Suppliers Association



Heavy Duty
Manufacturers Association



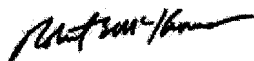
Original Equipment
Suppliers Association

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property of others. At the same time, the standards for inequitable conduct, which was created by the courts, must be significantly raised in order to reduce excessive litigation costs. Finally, we believe that the Patent and Trademark Office (PTO) should continue to conduct the search and render opinions on patentability in order to ensure third party objectivity and provide for professional searches and to enhance invention understanding by keeping the search and opinion activities with the same entity.

Thank you for your attention to this important matter and we hope that sufficient changes can be made to S. 1145 so that we can support the bill when it comes to the Senate floor for debate.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. McKenna".

Robert E. McKenna
President & CEO

Total Estimated Employment Contribution of Motor Vehicle Parts Supplier Operations Ranked by State

Rank	State	Direct Employment	Indirect Employment	Expenditure-Induced Employment	Total Employment Contribution
	TOTAL	783,061	1,972,067	1,704,561	4,459,687
1	Michigan	145,818	192,732	185,164	523,714
2	Ohio	97,323	183,988	159,231	440,542
3	Indiana	86,934	119,855	114,261	321,050
4	Illinois	40,063	123,265	104,284	267,612
5	Texas	20,175	110,443	98,524	229,142
6	California	28,596	110,550	83,473	222,620
7	New York	31,017	93,813	80,506	205,336
8	Tennessee	45,749	69,854	67,075	182,677
9	Pennsylvania	22,917	83,008	66,872	172,797
10	North Carolina	27,589	66,518	54,527	148,635
11	Georgia	22,701	64,530	54,970	142,201
12	Kentucky	35,102	51,113	44,933	131,148
13	Wisconsin	21,502	56,553	42,674	120,729
14	Florida	9,273	56,363	43,233	108,870
15	Missouri	18,888	40,802	39,593	99,283
16	South Carolina	20,943	38,580	33,069	92,592
17	Alabama	15,965	40,384	32,537	88,885
18	Virginia	7,796	42,138	34,605	84,539
19	New Jersey	3,356	40,028	35,918	79,303
20	Minnesota	6,671	33,350	28,889	68,910
21	Massachusetts	1,589	30,165	27,281	59,035
22	Kansas	7,508	18,699	23,136	49,343
23	Mississippi	13,179	18,221	17,758	49,159
24	Maryland	2,413	23,046	20,639	46,098
25	Iowa	6,680	22,260	15,324	44,263
26	Arkansas	7,922	19,984	15,117	43,024
27	Louisiana	1,868	23,034	17,300	42,202
28	Oklahoma	6,986	19,074	15,529	41,589
29	Connecticut	4,109	17,940	16,470	38,519
30	Colorado	1,756	17,206	16,112	35,073
31	Arizona	3,369	15,965	13,306	32,640
32	Utah	4,047	11,382	10,625	26,054
33	Washington	1,918	13,618	10,146	25,682
34	Nebraska	4,041	10,696	8,813	23,550
35	West Virginia	912	13,642	8,692	23,246
36	Oregon	1,783	12,110	8,189	22,082
37	Nevada	747	8,008	9,657	18,412
38	New Hampshire	747	6,289	5,976	13,012
39	Maine	290	6,505	4,992	11,787
40	New Mexico	100	5,582	4,483	10,165
41	District of Columbia	70	6,272	3,190	9,532
42	Rhode Island	822	4,330	3,709	8,860
43	Delaware	313	4,477	3,768	8,558
44	Idaho	68	4,829	3,543	8,440
45	Vermont	370	3,338	3,180	6,888
46	South Dakota	378	3,416	2,732	6,525
47	Montana	50	3,187	2,700	5,937
48	Hawaii	125	2,611	2,386	5,122
49	North Dakota	363	2,604	1,978	4,945
50	Wyoming	150	2,624	1,986	4,760
51	Alaska	9	3,086	1,506	4,601