

October 1, 2009



The Honorable Jeff Sessions  
The United States Senate  
335 Russell Senate Office building  
Washington, D.C. 20510-0104

Dear Senator Sessions:

As expressed in the letter from Dr. Malcolm Portera dated March 30, 2009, the institutions comprising The University of Alabama System continue to be concerned about the pending patent reform legislation. Because all of our institutions are recipients of federal funds, we are required by congressional mandate to transfer the results of our sponsored research to the commercial marketplace. Although the proposed legislation has been improved in this session, we are still concerned that, unless additional improvements in the bill are made, our technology transfer programs that now contribute both to our nation's scientific leadership and to local economic development will face significant obstacles that will weaken our ability to expand innovation and to spur economic growth in Alabama.

The two most contentious issues in the patent reform debate relate to (i) patent damages and the expansion of administrative challenges to patent validity through a new post-grant review process, and (ii) modifications to the existing inter partes re-examination process. We believe the current Senate legislation (S. 515) resolves the damages issue wisely by its inclusion of the so-called "gatekeeper" compromise. We urge you to support this approach. Any effort to go back to previous proposals will, in our view, endanger the entire patent reform effort.

The provisions in the bill expanding post-grant review and inter partes re-examination provisions will have a disproportionately adverse impact on university technology-transfer programs and the smaller technology-based companies that technology transfer offices promote to move the technology to the marketplace for public benefit. Technology transfer programs cannot withstand an expansion of ways to challenge the

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validity of a patent post-grant, which would allow infringers to subject valid patents to lengthy and repeated challenges at the U.S. Patent and Trademark Office and to combine inter partes re-examinations with court-ordered stays.

Additionally, these provisions would substantially increase the burden on the Patent and Trademark Office which, as you know, is already under severe strain. Adding layers of new procedural obligations is very likely to result in further costs and delays for patent applicants and holders. Such a situation would harm early-stage innovation more than most others in the intellectual property community. The basic patent examination function will be hamstrung, resulting in even longer patent pendency and lower patent quality. University technology transfer programs cannot thrive in such an environment. The sound and efficient operation of the Patent and Trademark Office is absolutely critical to the successful execution of our public mission.

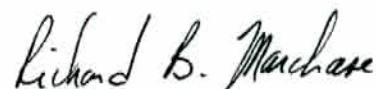
Therefore, we urge you to support efforts to either eliminate the expansion of prior art bases upon which patents may be challenged administratively, or to more carefully circumscribe the type of evidence and processes that would be used to ensure authenticity and reliability of such evidence.

Thank you for considering our views in this crucial matter and for your expressed interest in improving the entire patent process. We look forward to working with you to ensure that American patent protections remain the strongest in the world.

Sincerely,



Joe Benson  
Vice President for Research  
and Vice Provost  
The University of Alabama



Richard B. Marchase  
Vice President for Research  
and Economic Development  
The University of Alabama at Birmingham