The Honorable Howard Lutnick Secretary of Commerce United States Department of Commerce April 14, 2025

The Honorable Kevin Hassett Director National Economic Council of the United States

The Honorable Michael Waltz United States National Security Advisor The White House

Dear Secretary Lutnick, Mr. Hassett, and Mr. Waltz:

US Inventor, speaking on behalf of all American inventors and startups, fully supports your recent actions toward restoring America's status as the leader in worldwide innovation. Your actions and those of Acting USPTO Director Coke Morgan-Stewart will better manage critical resources of the USPTO and provide relief to small innovators who are under siege from Big Tech. Big Tech understandably opposes these changes due to their effect on its regulatory capture of the USPTO, which started under the Obama administration.

We are extremely hopeful that this new administration will unleash the untapped potential of American inventors and startups. The key to solving critical problems in America, including the threat of China's lead in many key technologies, is unleashing creative American small business entrepreneurs and those who would invest in them. Your recent actions are a step in the right direction.

Opponents of your efforts will try to re-frame the facts and mischaracterize information to support the narrative of Big Tech and their allies. They will wrongly claim that the USPTO issues a large number of invalid or improperly issued patents which require inter partes review. The facts don't support this narrative. The exceptional work of patent quality examiners such as Julie Burke and the <u>Sunwater Institute</u> clearly indicate that the US issues fewer invalid patents than the rest of the world, calling into question any *need* for the inter partes review system on these grounds.

US Inventor's research shows that judicial forums find one or more patent claims invalid in 29% of cases that reach a final judgment on that issue. In contrast, the inter partes review system finds one or more patent claims invalid in approximately 84% of instituted cases that reach final decision. This staggering rate of patent claim invalidation has done great harm to real American innovation by disincentivizing inventors and startup investors.

The key to unleashing real American innovation is allowing inventors and startups to face their infringers in Article III courts rather than in the inter partes review system. Proof of this

statement is that the US achieved the pinnacle of its industrial strength and expansion *without* the operation of such an additional patent forum and has declined substantially since.

Indeed, since the introduction of the Big-Tech-engineered American Invents Act, industrial strength and investment in the US has diminished, capital investment has gone abroad, and core laboratories of innovation have moved overseas. American innovation hasn't flourished under the operation of this additional forum, it has declined relative to the rest of the world.

We are pleased the USPTO is making moves in the right direction. Thank you for your support of American inventors and startups who are doing the great work of creating the kinds of technologies and intellectual property that built this great nation from its small beginnings. This is the group that, once unleashed, will help take America to stellar heights.

Sincerely,

Randy Landreneau, President

US Inventor, Inc.