



The Honorable Steve Stivers
U.S. House of Representatives
1022 Longworth House Office Building
Washington, DC 20515

The Honorable Bill Foster
U.S. House of Representatives
1224 Longworth House Office Building
Washington, DC 20515

Dear Representatives Stivers and Foster:

On behalf of the National Small Business Association (NSBA), I would like to thank you for introducing the *Support Technology & Research for Our Nation's Growth and Economic Resilience (STRONGER) Patents Act* (H.R. 5340) which is a reasonable, small-business friendly alternative to other harmful patent reform initiatives. The STRONGER Act offers a balanced solution to stop the practice of fraudulent and abusive patent demand letters and various other improvements to the current U.S. patent law, and stops short of weakening existing patents and discouraging innovation in the U.S. for years to come.

Patent protections are particularly important for small businesses, which operate on much smaller margins and often rely more heavily on their intellectual property for revenue than large firms. According to the U.S. Small Business Administration, small businesses produce 16 times more patents per employee than large patenting firms, which has a direct correlation with job growth.

The STRONGER Patents Act finds that the most recent comprehensive reforms to the U.S. patent system, the America Invents Act (AIA) enacted in 2011, resulted in unintended consequences which have damaged the ability of patent owners to protect their patents from infringement. Reforms in H.R. 5340 such as improving the Patent Trial and Appeal Board process, bringing fairness and finality to the grant review proceedings, as well as ending the diversion of patent fees and ensuring the fees paid to the Patent Office are used for their intended purposes while cracking down on abusive patent demand letters, will help boost U.S. competitiveness and strengthen property rights protections for inventors, small businesses, and other patent owners.

Among the other key provisions in the STRONGER Act that will ensure small patentees aren't being unfairly and unjustly targeted are: the "pattern or practice" requirement that would target mass mailing of these demand letters; a "bad faith" requirement to focus on purposefully deceptive demand letters; and the establishment of a uniform federal standard for enforcement of patents.

Furthermore, NSBA would welcome the opportunity to work with you to develop other amendments to the bill to restore some of the additional patent holder rights that were eliminated with the passage of the AIA.

As the nation's first small-business advocacy organization with 65,000 members across the country operating on a staunchly nonpartisan basis, I applaud your efforts to include small business in your efforts to improve the U.S. patent system, and look forward to working with you on the passage of the STRONGER Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd McCracken". The signature is stylized with a large, sweeping initial "T" and a long horizontal line extending to the right.

Todd McCracken
President and CEO