

Good patents protect jobs

All politicians should support the patent-reform bill

Thursday, April 07, 2011

By William George

All eyes have been on Wisconsin lately, as union members and the governor's office have battled very publicly over the conditions of employment in the state. Some political observers have speculated the fight might come to Pennsylvania next.

It would be more productive for both sides, though, to work on the one thing on which unions and all lawmakers can agree -- we can't afford to send American jobs overseas.

That's why I support the patent reform bill currently moving through Congress. If passed, it would be the first major change to the patent system in more than half a century -- shocking, when you think about how much invention and technology have changed in that time.

More important, it would protect American jobs and encourage the creation of more jobs at a time our economy most needs them. And it would do this without adding a dime to the deficit. In fact, it would decrease the deficit by \$750 million in the next decade, the Congressional Budget Office estimates.

Lawmakers on both sides of the aisle agree. The America Invents Act was spearheaded in the Senate by Democrat Patrick Leahy, but it had 14 co-sponsors from both parties. The Senate approved it with 95 out of 100 votes, including both Pennsylvania senators, Democrat Bob Casey and Republican Pat Toomey. The legislation now moves to the House of Representatives for consideration.

Let's hope the House moves as firmly as the Senate has. Reforming our outdated patent system would sustain American innovation in the face of tough challenges from abroad and ensure we keep creating the kind of jobs that have made our country the leader in the knowledge economy.

The biotech industry, for example, is one of the few that has grown as the rest of the economy has sputtered. While the Pennsylvania economy overall grew only 0.9 percent from 1996 to 2006, the state's biopharmaceutical industry grew 3.3 percent, to nearly \$40 billion in economic output. It was responsible, directly and indirectly, for nearly 200,000 jobs, including not only scientific researchers but also food servers, cleaning crews and other service workers. The industry spent an astonishing \$4.3 billion on research and development in Pennsylvania in 2006.

The America Invents Act will help keep that R&D money flowing. Patents protect intellectual property, which drives innovation and invention. This reform bill would simplify the patent system, giving patent holders more certainty about their rights and

making it more likely they'd be willing to go through the long and expensive process of creating a new product. The bill also would improve the enforcement tools that protect intellectual property from encroachment by either domestic or international players.

The proposed legislation would move the United States to a first-inventor-to-file system, from a first-to-invent system that is less clear and more contentious. Most of our trading partners use first-to-file, and it will make the patent application process easier to navigate -- and possibly cheaper, too.

The America Invents Act also would let third parties submit information about a pending patent application, making it more likely that the patents approved will be of high quality. And there's a new nine-month period following the award of a patent that allows challenges to be filed.

It's important to provide these incentives for innovation. One study recently declared that the United States was dead last out of 40 regions in progress made in the last decade toward the "knowledge-based innovation economy." We need to encourage the risk-taking that has made America the center of innovation around the world and created jobs for American workers.

Pennsylvania needs all the jobs it can get, and so does the rest of the country. We can't let leading firms close up shop and take their jobs elsewhere -- not if we want to keep America the country of invention and opportunity.

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First published on April 7, 2011 at 12:00 am

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