

NEWS

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California Healthcare Institute Submits Letter of Concern About Patent Reform Legislation

LA JOLLA, CALIF. February 25, 2008 – The California Healthcare Institute (CHI) today submitted a letter to Senators Dianne Feinstein and Barbara Boxer on behalf of more than 170 undersigned companies and organizations whose research, investment, and development efforts have generated innovative products across the California economy, creating tens of thousands of jobs in the state, to express ongoing concern regarding S. 1145, the Patent Reform Act of 2007. CHI is a non-profit public policy research organization for California's biomedical industry.

California's high-tech industries lead the world in biotechnology, electronics, medical technology, telecommunications, and innovative fields. The advanced research they do is extremely risky and expensive, and strong patent protections are essential to their ability to attract the investment necessary to commercialize new inventions. This is particularly true for the hundreds of smaller, venture capital-backed firms in the state, many spun out of California's world-class research universities and private research institutes.

CHI supports balanced and reasonable efforts to improve U.S. patent law and appreciates the fact that the Senate Judiciary Committee has addressed some key problems, including deletion of expansive PTO rulemaking authority. However, CHI maintains that the harm to the patent system and innovation that would result from enactment of certain provisions in S. 1145 outweighs any potential benefits of other provisions of the bill.

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“We believe that the proposed legislation would increase costs to obtain and maintain patents, undermine patent certainty, encourage infringement, and weaken the enforceability of patent rights and intellectual property protections,” said David Gollaher, Ph.D, president and chief executive officer of CHI. “If the legislation were to be enacted in its present form, the effects would be devastating to the biomedical industry and would adversely affect public health and innovation in the state.”

The full letter, including the list of undersigned companies, is available on CHI’s website at www.chi.org. CHI represents more than 250 leading medical device, biotechnology, diagnostics and pharmaceutical companies and public and private academic biomedical research organizations. CHI’s mission is to advance responsible public policies that foster medical innovation and promote scientific discovery.

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