

January 23, 2008

The Honorable Harry Reid and John Ensign
United States Senate
Washington, D.C. 20510

Dear Senators Reid and Ensign:

As Nevada employers and business owners, we are writing to express our concerns about patent legislation moving through the Senate. While we support efforts to update and improve our patent system, we are concerned that this well-intentioned legislation in its current form will diminish patents, undermine innovation, increase costs to Nevada businesses, increase litigation, and threaten jobs and manufacturing in Nevada.

Economic growth depends upon the continued strength and reliability of the U.S. patent system, which has recognized and protected the rights of inventors for more than two centuries. We are especially concerned about the proposed changes to the well-established principles used to calculate damage awards and the addition of a costly new post-grant opposition system that would dramatically increase the cost of patent protection and undermine a patent's enforceability potentially throughout its life. These unprecedented changes would combine to destabilize America's incentive-based system of innovation and encourage a weakening of patent rights worldwide. For start-up and smaller technology-based business, many of which are now located in Nevada, these changes will significantly increase the cost of obtaining and maintaining patent rights, potentially putting patent protection out of reach for many of these companies. We do, however, support stronger reforms to the judicially-created doctrine of inequitable conduct that will enhance the overall quality of patents issued by the USPTO and reduce excessive litigation costs.

We are hopeful that this legislation will be amended to address our concerns prior to Floor consideration. While we look forward to supporting patent reform legislation, any such legislation has to improve patent quality without increasing costs and diminishing patent rights and the strength of the U.S. patent system. We stand ready to work with you to achieve that goal.

Sincerely,

Night Operations Systems
Reno, Nevada

iN3Partners
Reno, Nevada

Highly Reliable Systems
Reno, Nevada

Qualcomm Inc.
Las Vegas, Nevada

Quality Control Systems, Inc.
Sparks, Nevada

Sierra Computers Ltd.
Reno, Nevada

Cummins-Allison Corporation
Las Vegas and Reno, Nevada

3D Armor Systems, Inc.
Reno, Nevada

Turnkey Lighting Control Integration Systems
Sparks, Nevada

Server Technology, Inc.
Reno, Nevada

Scheelite Technologies LLC
Reno, Nevada

M.E.P.CAD, Inc.
Las Vegas, Nevada

Black Rock Systems LLC
Reno, Nevada

EMD-3 Technologies
Reno, Nevada

American High Voltage
Elko, Nevada

SilverSky Group LLC
Reno, Nevada

Aperture Investments LLC
Reno, Nevada

Pindi Products, Inc.
Reno, Nevada

Drinkwater Law Offices
Reno, Nevada