"Study of Underrepresented Classes Chasing Engineering and Science" (SUCCESS) Act, 3rd Public Hearing

Silicon Valley United States Patent and Trademark Office West Wing Building of San Jose City Hall 26 South 4th Street San Jose, CA 95113

June 3, 2019

INTRODUCTION

Thank you for your time today. I am honored to attend the third public hearing on the Study of Underrepresented Classes Chasing Engineering and Science Act, signed into law on October 31st, 2018. My name is Charu S. Kurani and I am a patent attorney on the legal team at Facebook, and I am speaking today on behalf of Facebook. Diversity and inclusion are very important values for Facebook, and we are committed to taking action that focuses on identifying and improving the underrepresentation of people in the patent system. This issue is also very important to me personally. As a mother to a young daughter, I want to do everything that I can to change what the future looks like for my daughter. If she chooses to go into tech one day, I want her to be able to see other women innovating and participating in the patent system at the same rates as their male counterparts. I want her to feel like she belongs.

Today, the USPTO is seeking comments from the public on the participation of women, minorities, and veterans in entrepreneurship activities and the patent system. In particular, we note that the USPTO believes that **businesses**, among others, have relevant information on the number of and benefits from patents applied for and obtained by women, minorities, and veterans as well as small businesses owned by these groups.

I am here today to voice Facebook's support of this initiative and to encourage the USPTO, universities and other institutions in the patent ecosystem to provide education to the participants of the patent system about the issues highlighted by the SUCCESS Act. I am also here today to describe Facebook's efforts in closing the equity gap in inventing and patenting for women, one of the key aims of the SUCCESS Act.

FB's INNOVATIVE FOOTPRINT & THE NEED FOR DIVERSITY

Innovation is at the heart of Facebook's mission. We invest a significant portion of revenue in the innovation of products and services that connect the world. In fact, in 2018, Facebook invested over \$10B in research and development which was almost 20% of its revenue. Because the patent system plays a critical role in protecting and facilitating the ability of our engineers to innovate and introduce these products and services to the world, Facebook supports a strong — but balanced — patent system that promotes innovation. FB has been and continues to be an active participant in the patent system, with well over 15,000 patents relating to hardware and software, including virtual and augmented reality, infrastructure, connectivity, communication, commerce, and artificial intelligence.

While a robust patent system is necessary to drive growth and stimulate innovation, diverse perspectives are just as critical to fuel research and drive growth. In particular, women, minorities and veterans bring with them these diverse perspectives in the form of fresh ideas and valuable insights that greatly impact the development of products and services of the future. However, since women in particular have historically had lower rates of participation in technical roles, businesses have routinely lost out on their diverse perspectives, leading to stymied economic growth and innovation. In fact, the report entitled "Progress and Potential' A Profile of American Women Inventors on U.S. Patents" recently issued by the USPTO suggests that womens' innovative potential is being underutilized and that women can be considered "Lost Einsteins" - people who would otherwise contribute valuable inventions if they had early exposure to innovation and inventor role models. The report further suggests that harnessing womens' underexploited talent would be valuable to spurring innovation and driving growth.

FB's DIVERSITY EFFORTS TO INCREASE # WOMEN INVENTORS

At Facebook, we are actively striving for a diverse workforce. The percentage of women in technical roles at Facebook increased from 15% to 22% in 2018, according to Facebook's fifth annual diversity report. While the number of women at Facebook has increased 5 times over the last five years and the number of women in technical roles has increased over 7 times, we are still actively working to increase the number of women in technical roles so as not to lose out on our "Lost Einsteins", or rather, what we refer to as "Lost Marie Curies".

As of February 2019, 24% of Facebook's organic patent applications name at least one woman inventor, and we would like to see that number continue to climb. Facebook recently launched an internal diversity initiative specifically aimed at increasing the number of women named on patent applications. The initiative includes a number of efforts focusing first on increasing access to and visibility of the patent process to women within the company. The patent team at Facebook is developing programs to provide additional education to women about patents and the process by which patents are obtained at Facebook. We are also planning to host a career panel with prolific women inventors who will talk about the positive impact that patents have had on their careers. Additionally, the patent team is hosting patent harvest sessions for women inventors led by women. Each of these initiatives is introduced with the specific goal of achieving gender parity in patenting.

Further, Facebook is not only interested in addressing gender disparity in patenting, but is also interested in better understanding the barriers that women face in participating in Facebook's patent program. To that end, Facebook will be collecting feedback from women on their experiences with Facebook's patent program so that we can identify and address these barriers.

While these initiatives are internal to Facebook, we are also interested in advocating for change in the tech industry at large by partnering with USPTO and other companies and associations. Facebook has committed to using the Intellectual Property Owners Association's "Achieving Gender Parity in Innovation Toolkit". In using the toolkit and obtaining results, Facebook is looking to provide feedback to the IPO as well as to the USPTO about our barriers and about best practices we've implemented to address these barriers. In doing so, Facebook is hoping to

set an example and encourage other businesses to do the same so as to affect and scale positive change across the industry.

FACEBOOK ENABLES SMALL BUSINESSES

Although we've already kicked off a number of programs focused on diversity among patent applicants, we recognize that it is a complex problem that needs to be addressed holistically. Studies indicate that the skilled labor shortage in America could create 85.2 million unfilled jobs by 2030. Facebook is committed to helping reverse the skills gap in America by giving individuals and companies the tools they need to flourish in an increasingly digital economy, which will also increase diversity in jobs that require digital skills, like coding and digital marketing. Last year, Facebook pledged to train 1 million US small business owners by 2020 and equip more people with the digital skills they need to compete in today's workplace. As part of our pledge, we have expanded a digital training program to 50 cities, partnered with over 60 organizations and dozens of community colleges across the country. We also launched an eLearning platform called Facebook Blueprint which includes classes available in 14 different languages with over 80 online courses [data as of June 2018]. Our Blueprint team works with local associations such as the Small Business Administration, America's Small Business Development Centers and National Small Business Association to offer free in-person local training events leveraging Blueprint curriculum. Thousands of US small businesses have already been trained using Blueprint, and by 2020 we plan to train an additional 250,000.

Facebook is also committed to doing business with diverse-owned companies because having diverse suppliers helps us build better products for our global community. Facebook Supplier Diversity connects qualified diverse-owned businesses to our fast-moving community while also helping these companies grow their business on our family of apps. In 2017, Facebook spent \$233.6M with US companies certified by both private and public organizations as majority-owned, operated, and controlled by racial and ethnic minorities, women, veterans, LGBTQ people, and differently-abled entrepreneurs. Of that investment, \$145M went to minority-owned businesses and \$92M to women-owned businesses.

We believe that our broader efforts to enable small businesses and promote supplier diversity will contribute to more innovation and greater diversity in the inventor community.

CONCLUSION

Facebook is committed to increasing the representation of women in filing patent applications and believes that the USPTO is well-positioned to provide the industry at large with data on womens' inventorship on patent applications. FB is excited to support this initiative both internally and across the industry, and we are grateful to partner with the USPTO on this important effort. Thank you!