



United States Senate
WASHINGTON, DC 20510-0504
<http://feinstein.senate.gov>

June 30, 2019

The Honorable Andrei Iancu
Under Secretary of Commerce for Intellectual Property and
Director, United States Patent and Trademark Office
600 Dulany Street, Madison West Bldg.
Alexandria, VA 22314

Dear Director Iancu,

I am pleased to offer public comments to the U.S. Patent and Trademark Office (USPTO) on the importance of the Study of Underrepresented Classes Chasing Engineering and Science Success Act of 2018 (the SUCCESS Act) (Public Law No: 115-273). It was my honor to support this legislation to promote the participation of women, minorities, and veterans in entrepreneurship activities and increase the number of people from these same groups to apply for and obtain patents.

The SUCCESS Act will help to recognize the importance of participation in innovation. Despite an increasing number of women and underrepresented minorities involved in science, technology, engineering, and mathematics (STEM) and entrepreneurial activities, the rates of innovation among these groups remain underrepresented. According to a report from the Information Technology and Innovation Foundation, women represent just 12 percent of U.S. innovators, while U.S.-born minorities make up only 8 percent. A 2017 report by the Brookings Institution revealed that women are underrepresented in all stages of the STEM and patenting process.

By contrast, veterans are more likely to enter into entrepreneurship and self-employment. However, according to research from the Institute for Veterans and Military Families (IVMF) at Syracuse University, veteran entrepreneurship is decreasing. Less than one-quarter of veterans who want to start businesses proceed to do so.

Low rates of women, minorities, and veterans entrepreneurship indicate that America is missing out on sources of innovation.

Including underrepresented classes in entrepreneurial activities strengthens the American worker's well-being. Entrepreneurship activities create opportunities for social mobility and to improve the quality of life for individuals. In fact, multiple studies indicate that entrepreneurs and their families are more likely to see increased income and access to social mobility. Promoting innovation among underrepresented classes could help reduce gender and race gaps in wealth.

Investments in the entrepreneurial activities positively impact economic opportunity. According to testimony from Dr. Lisa D. Cook of Michigan State University, the inclusion of women and minorities at all phases of the innovation process would reduce wage inequalities and improve the economy. Small businesses and entrepreneurship also stimulate job creation. This reflects broader findings from a Brookings Institute report, which showed that small businesses make a disproportionately high contribution to economic growth. Promoting entrepreneurship opportunities for women, minorities, and veterans is especially important for the state of California, which is home to the most patent inventors of any U.S. state.

Increased involvement by women and minorities in STEM and entrepreneurship shows that progress has been made, but more can be done. For example, a USTPO report shows that women inventors have tended to avoid male-dominated spaces of entrepreneurship. Dr. Cook's research calculates that if more women and African-Americans received STEM training and worked in related fields, the GDP per capita could be roughly 3-4 percent higher. IVMF studies determined that improved financial literacy and education about available resources could reverse the declining rates of veteran entrepreneurship. Finally, the Brookings Institution concluded that expanding access to skills development opportunities, networks, and capital would help these underrepresented groups increase their rates of innovation.

We must continue to push for the involvement of underrepresented classes in applied and granted patents. In an increasingly international market, ensuring that women, minorities, and veterans are able to obtain patents for new businesses and innovation is essential for the U.S. economy

Sincerely,

A handwritten signature in blue ink that reads "Dianne Feinstein". The signature is fluid and cursive, with the first name "Dianne" being larger and more prominent than the last name "Feinstein".

Dianne Feinstein
United States Senator