

Kostelnik, Summer

From: Rob Patino <rpatino@siumed.edu>
Sent: Friday, January 04, 2013 12:30 PM
To: IP Policy
Subject: Patent Small Claims

I work for Southern Illinois University, School of Medicine as the Director of Technology Transfer. I also teach as an Adjunct Professor an Intellectual Property Commercialization course at the Law School.

The request for comments submitted by the USPTO requires a lot of thought to address all of the particular sub-points pointed out in the Federal Registration announcement. The goal of this email is to address the "need for a small claims" process to address patent issues. Time permitting, I will follow this email with a more thoughtful discussion on some of my own views related to venue, subject matter, etc. at a date.

I have worked with several small entity patent holders and I have worked with university owned technology patent rights where there exists little to no access to the judicial system because the cost is too prohibitive. Even a bare-bones design patent case with the only expert witnesses are parties to the suit, the cost can still run into several \$100,000's. For a \$5,000,000 company whose profits would be considered extremely healthy at \$500,000 annually, there is still not enough cash to endure a long, drawn out patent case where the end results are uncertain and their primary objective is to send a signal to the accused infringer that their activity is illegal and have consequences. The truth of the matter is that it does not make economic sense to pour funds into innovation if there is no means of protecting that innovation without risking the health of the company or individual who wants to bring suit. Non-practicing entities exist that might take up a case if the potential damages were large enough to warrant their time and treasure in bringing a suit, but these cases are just a tiny minority.

Lack of access to the judicial system therefore discourages innovation and the investment in intellectual property assets for small to mid-size entities and universities.

I strongly urge the USPTO to advocate for a small claims system that is economically viable for inventors, investors, small entities and universities that work diligently to bring new products to market but do not have access to large sums of capital to discourage flagrant infringers.

As I said before, I will attempt to address some of the other issues raised by the USPTO in its solicitation; however, it becomes a challenge to put efforts in defining a solution unless there was a real acknowledgement of an existing need. I don't think the USPTO will get to hear the voices of the small inventors as many of them generally only have the funds to obtain one or two patents but then run out of steam after they find that their enforcement costs are so great.

Rob

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