



January 20, 2012

The Honorable David Kappos
Under Secretary of Commerce for Intellectual Property
Director of the United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313

cc: Azam Khan
Deputy Chief of Staff
Office of the Under Secretary and Director

Dear Director Kappos,

I believe the Portland Metropolitan Area is an ideal choice for a branch office of the United States Patent and Trademark office, just as it has been an ideal choice for the most technologically advanced facilities of major intellectual property creators such as Intel and Hewlett-Packard. The reasons why the USPTO will succeed here are the same reasons Oregon has been so good for industrial R&D and advanced manufacturing sites:

1. A world-leading technology workforce, including scientists and engineers, that is both affordable and loyal. I will say more about this below, but it has been my observation for almost thirty years that most technical professionals in Oregon have an unusual 'sense of place' and a strong desire not to relocate.
2. Oregon's science and engineering talent is first rate, as evidenced by high rates of patent production *in concert* with both global technology and product/sales leadership: in microprocessors, CMOS technology, inkjet printers, microfluidics, electron and ion beam tools, high-frequency components and instruments, CAE software, nanotechnology reagents for biomedical applications, specialty metal products for aerospace and power generation, medical devices, outdoor and athletic apparel, consumer/handyman tools, and more.
3. Oregon's major high-technology employers have outstanding in-house intellectual property capability, which necessarily goes hand-in-hand with the IP-critical nature of these leading edge R&D sites. I know this first-hand from my 25 years at Hewlett-Packard.
4. Portland combines the most affordable cost of living on the U.S. west coast, excellent public infrastructure, unsurpassed quality of life (outdoor and indoor), and all the advantages of a well-connected West Coast (Silicon Valley, Seattle, Asia) Pacific Rim location.

Oregon Nanoscience and Microtechnologies Institute

I am the President and Executive Director of ONAMI, Oregon's first "signature research center", established in late 2003 (following my retirement from Hewlett-Packard) to grow research and commercialization in advanced materials and device technology. Since then, our research volume has increased 4X, and our portfolio of ~25 spinout companies has raised \$103M in leveraged capital and SBIR grants. ONAMI's 'ecosystem' model for innovation-based economic development has become a widely cited (NSF, NNI/NNCO, NGA, other organizations) best practice, and we were honored last year to be a co-recipient (along with OTRADI and Oregon BEST) of an EDA i6 Challenge award – The *Oregon Innovation Cluster*. Among other things, the i6 award has allowed ONAMI to hire three experienced entrepreneurs-in-residence (EIRs) who are experts at the critical work of building strong IP positions for innovative startups.

Prior to ONAMI, I served for many years as director of Advanced Research at Hewlett-Packard's most advanced facility in Corvallis, OR – home of the inkjet technology that literally recaptured the computer printer industry back from Asia. During my tenure at HP Corvallis, we did about one-half of our technical hiring from local universities (Oregon State University, University of Oregon) and recruited the rest nationally and globally.

I was recruited myself from Silicon Valley in 1983, and from the moment I got here I had a strong desire to make sure I could stay in this beautiful place that is also outstanding for raising a family. While I do not have statistics on this point, it has been my experience that most scientists and engineers here share that same 'sense of place' and desire to contribute to durable opportunity. This is, in fact, precisely why I retired from HP to start ONAMI.

It is also my experience (from my HP years, and also from more general observations of the Oregon high-tech community since 2002) that voluntary turnover in Oregon technology companies is lower than in other high-tech 'hot spots'.

Finally, our universities are advancing dramatically in research and commercialization. Companies spinning out of Oregon State University, for example, have raised over \$120M in capital over the last 2 years. This is a top-tier performance on what I believe to be the single best early stage commercialization metric. Oregon research campuses are right now also in a favorable position (i.e. having adjusted to financial pain over 20 years that is coming on other regions' universities suddenly) for recruiting top young faculty and graduate students. Thus, not only is existing top talent committed to this region, but more is coming here for opportunity.

Portland, Oregon is unquestionably your high-performance and low risk choice for the next branch office of the United States Patent and Trademark Office.

Sincerely,



Robert D. "Skip" Rung
President and Executive Director