



January 30, 2012

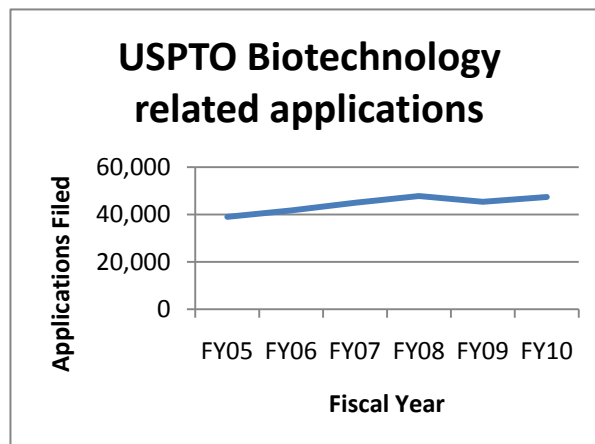
Azam Khan  
Deputy Chief of Staff,  
Office of the Under Secretary and Director  
United States Patent and Trademark Office,  
Alexandria, VA 22313

**Re: Request for Comments on Additional USPTO Satellite Offices for Nationwide Workforce Program**

Dear Deputy Khan,

The Biotechnology Industry Organization (BIO) appreciates this opportunity to comment on possible United States Patent and Trademark Office (USPTO) Satellite Office placement. BIO represents more than 1,100 biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations. BIO members are involved in the research and development of innovative healthcare, agricultural, industrial and environmental biotechnology products.

At a recent BIO IP Counsels meeting, former USPTO Patent Commissioner Robert Stoll pointed out that biotechnology leads all technology fields in research and development investments in the United States and abroad and those investments have increased 6.2%. Stoll also pointed out that biotechnology inputs more investment dollars than the technology or automotive industries. Finally, you can see from the chart below that biotechnology firms file a significant amount of patent applications per year and that the number of applications filed continues to increase (slides attached).



A disproportionately large share of biotechnology applications is of domestic origin. For example, the data compiled in the WIPO 2011 World Intellectual Property Indicators report show that the United States is by far the biggest originator of internationally-filed biotech patent applications. From 2000-2009, United States applicants filed 116,145 international biotechnology patent applications. Japan came in second with 37,754, China third with 24,135, and Germany fourth with 23,818.<sup>1</sup> Indeed, it appears that U.S. dominance as an originator of patent applications is nowhere as pronounced as it is in the biomedical arts. In fact, the United States has a biotech patenting ratio of more than 3 US biotech applications to 1 foreign-originated biotech application. This ratio is unmatched in any other technology field with large amounts of US patenting activity. The closest patenting ratio advantage of approximately 2.4:1 occurs in the Medical Technology Instrument field which encompasses many biotechnology related inventions.<sup>2</sup>

Given this high rate of domestic biotechnology investment, innovation, and patenting, the USPTO shoulders a disproportionately large share of original, substantive patent examination in the biomedical fields. Accordingly, the Office should consider satellite locations that would make it easier to attract experienced biotech professionals for its examiner corps, and to be able to more directly interact with its biotech user community. Moreover, placing a satellite office in a biotechnology “hotspot” would provide the USPTO with access to local, established ecosystems of scientists, universities, research institutions, biotech companies and patent practitioners. Such access would help facilitate staffing and other needs of the USPTO satellite office.

Accordingly, we strongly recommend that the USPTO consider one of the large U.S. biotechnology hubs, such as California (SF Bay Area or San Diego), Massachusetts, or North Carolina, for a satellite office.

Respectfully submitted,



Hans Sauer  
Deputy General Counsel, Intellectual Property  
Biotechnology Industry Organization

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<sup>1</sup> Accessed at <http://www.wipo.int/ipstats/en/statistics/patents/> under the table Patent Application Filings: Patent publications by field of technology (2000-2009) by leading countries.

<sup>2</sup> *Id.* Compare aggregate data from 2000-2009 in categories with largest U.S. filings (greater than 100K) versus closest country in same categories (Japan is closest competitor with a few exceptions).