

May 31, 2023

The Honorable Jim Jordan  
Chairman  
House Judiciary Committee  
2056 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Jerrold Nadler  
Ranking Member  
House Judiciary Committee  
2132 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Darrell Issa  
Chairman  
Subcommittee on Courts, Intellectual  
Property, and the Internet  
2108 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Hank Johnson  
Ranking Member  
Subcommittee on Courts, Intellectual  
Property, and the Internet  
2240 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Jordan, Ranking Member Nadler, Chairman Issa, and Ranking Member Johnson:

The undersigned organizations, representing multiple industries and stakeholders, write to express our serious concerns regarding foreign interference in matters of U.S. patent law.

Our industry and consumer associations include key developers and manufacturers of a wide range of connected technologies and associated innovations that span multiple industry sectors, including telecommunications, automotive, semiconductor,, cloud computing, and network infrastructure. Together, we represent a comprehensive cross-section of companies that do business in the United States, including public to private, U.S.-based and international, and large, small, and mid-sized. Our members collectively invest hundreds of billions of dollars annually in R&D, and own hundreds of thousands of patents. We understand the important role patents play in our increasingly technology-focused world and the impact they have on American innovation, competition, and consumers.

Unfortunately, with increasing frequency, some foreign patent owners are asking non-U.S. courts to assess liability and royalty terms for alleged use of U.S. patents, including for manufacturing and sales within the U.S., and to impose such terms as a requirement for access to the foreign market. The result is that companies (and, ultimately, American consumers) must pay unfair, foreign-set patent royalty rates when they make, sell, or buy products *in the United States*. Many American companies, and companies doing significant domestic business, have been the victims of these foreign assertion tactics. For example, auto companies and cell phone handset manufacturers now are forced to pay foreign-set royalties based on U.S. car and phone sales to companies based in China, Europe, and other international jurisdictions.





The Defending American Patents Act (DAPA) is urgently needed to protect American innovation and economic competitiveness. DAPA offers a focused approach to supporting U.S. patent rights with full compensation to U.S. patent owners, while ensuring that U.S.

patent agreements are not dictated by foreign courts as a condition for participating in foreign markets.

More specifically, DAPA can put a stop to these harmful behaviors by granting U.S. courts authority to address and remedy the harms caused by improper actions taken in foreign courts related to setting U.S. patent rates. The bill protects full compensation for U.S. patent holders, the legal rights of American consumers, and will help restore the primacy of U.S. law in addressing matters relating to U.S. patents.

We thank you for your efforts and urge you to support DAPA in order to protect American patent law, innovation, and competitiveness.

Sincerely,



<p>Alliance for Automotive Innovation<sup>1</sup></p> 	<p>Zero Emission Transportation Association<sup>2</sup></p> 
<p>Computer &amp; Communications Industry Association<sup>3</sup></p> 	<p>Save Our Standards<sup>4</sup></p> 

<sup>1</sup> Auto Innovators represents the manufacturers that produce most of the cars and light trucks sold in the U.S., original equipment suppliers, battery makers, technology companies, and other value-chain partners within the automotive ecosystem. Representing approximately 5 percent of the country’s GDP, responsible for supporting 10 million jobs, and driving \$1 trillion in annual economic activity, the automotive industry is the nation’s largest manufacturing sector. See <https://www.autosinnovate.org>.

<sup>2</sup> ZETA is the first industry-backed coalition of its kind advocating for the full adoption of electric vehicles (EV) by 2030, which will create hundreds of thousands of new jobs, secure American global EV manufacturing leadership, dramatically improve public health and significantly reduce carbon pollution. See <https://www.zeta2030.org>.

<sup>3</sup> The Computer and Communications Industry Association (CCIA), which just celebrated its 50th birthday, represents companies in the computer, internet, information technology, and telecommunications industries. CCIA members employ almost one million workers and generate more than \$540 billion in annual revenue. See CCIA, <https://www.ccianet.org/about/who-we-are/>.

<sup>4</sup> Save Our Standards is a broad-based coalition of innovators, small businesses, associations, academics, and consumer groups dedicated to reinforcing the FRAND licensing commitment and its important role in technical standards to enable competition and innovation that directly benefits consumers. We work to educate decision-makers and stakeholders on policies that allow all innovators to thrive through pro-competitive practices and the reinforcement of fair, reasonable and non-discriminatory licensing terms for standard-essential patents. See <https://www.saveourstandards.com>.

<p>ACT   The App Association<sup>5</sup></p>  The logo for ACT The App Association features three blue squares of varying sizes to the left of the word "ACT" in a large, bold, blue sans-serif font. Below "ACT" is the text "The App Association" in a smaller, grey, sans-serif font.	<p>Public Interest Patent Law Institute<sup>6</sup></p>  The logo for the Public Interest Patent Law Institute features a stylized sunburst or starburst icon to the left of the text "Public Interest Patent Law Institute" in a black, serif font.
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<sup>5</sup> The App Association represents more than 5,000 app makers and connected device companies in the mobile economy, a \$1.7 trillion ecosystem. Organization members leverage the connectivity of smart devices to create innovative solutions that make our lives better. The App Association is the leading industry resource on market strategy, regulated industries, privacy, and security. The App Association works to preserve and promote innovation, as well as to accelerate the growth of technology markets through robust standards development and a balanced intellectual property system. *See* <https://actonline.org>.

<sup>6</sup> PIPLI is a non-profit organization dedicated to ensuring the patent system promotes innovation and access for all. Our mission is to improve the patent system's ability to do what it's supposed to do: encourage the creation and dissemination of technology for the public's benefit. *See* <https://www.piplius.org>.