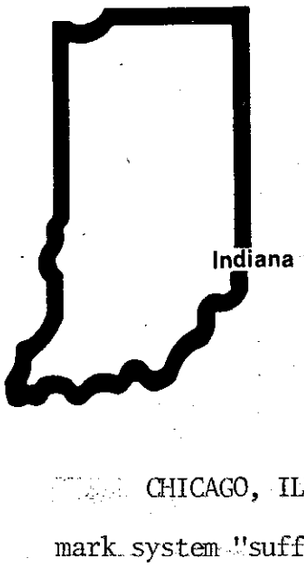

News from Birch Bayh

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CHICAGO, ILL., NOVEMBER 7 -- Declaring that the American patent and trademark system "suffers from many ills which serve to discourage innovation," and that the result is a decline in U.S. productivity which has created an "open economic wound that is constantly bleeding dollars abroad," Senator Birch Bayh (D.-Ind.) has called for the creation of an independent Patent and Trademark Office.

"A strong patent system is crucial if we are to maintain our fast dwindling lead over our foreign competitors and regain our prominence in markets that we have already lost," Bayh said, "but today our patent system is rotting from indifference in spite of all of our efforts to cure the disease."

Bayh made the announcement in a speech to the Patent Law Association of Chicago on Wednesday evening.

Bayh announced his intention to introduce legislation later this week to create an independent Patent and Trademark Office. The bill will also create a six year term of office for the Commissioner of Patents and trademarks and will require that the Commissioner be someone with widespread experience and understanding of the workings of the patent and trademark system.

"This bill will not create any new bureaucracy," Bayh said, "but it will insure that the Patent and Trademark Office is allowed to function as efficiently as possible by extricating it from the bureaucratic red tape at the Commerce Department."

Since its creation, the Patent Office has been under the auspices of the Departments of State, Interior, and currently, Commerce. Bayh says this diversity of alignments underscores the unique function of the Patent Office and the fact that the Office should not fall under the control of any one agency, but rather, should stand independent.

The Hoosier Senator stressed his belief that without a strong, independent patent system, American innovation and productivity will continue to decline. "Throughout our hisory we have had individuals who were willing to go farther and work harder than the bare minimum required of them. Their creativity flourished because our system appreciated individual initiative, persistance, and genius, and rewarded those qualities by protecting the inventions they produced.

"But today," Bayh added, "there is no confidence in the American patent system or its ability to protect the inventor's right to his invention. The reasons are bureaucratic red tape, serious understaffing, and underfunding of the Patent Office, and a general feeling that the Patent Office is an orphan child that serves no important function, and has no real home."

The result of all this, the Senator explained, is a steady decline in the number of patents issued to American citizens and an increase in the number of U.S. patents granted to foreign inventors.

"Foreigners now account for approximately 35% of all U.S. patents granted," Bayh pointed out, "and last year we faced a $6 billion deficit on the importation of manufactured goods."

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"In 1970 West Germany replaced the U.S. as the world's largest exporter of manufactured goods. We are now sorely pressed by Japan to hold onto second place."

Bayh says the fundamental changes he proposes will elevate the status of the Patent and Trademark Office in the U.S. Government, and will be "concrete proof that we are indeed serious when we say that we want a patent and trademark system which is second to none."

Senator Bayh has long been an advocate of a strong, independent patent system. He has introduced a bill in the Senate which will allow the Patent Office to inexpensively reexamine most issued patents to determine their validity. He has joined Senator Robert Dole (R.-Ks.) in introducing legislation to standardize patent policy for small business and university contractors, and he attempted to add $14 million to the 1980 Patent and Trademark Office budget.

Despite these efforts, Bayh says more can, and must, be done to strike at the heart of the problems which beset the Patent Office.

"The situation has reached crisis proportions," Bayh continued. "If we don't act now to save the failing patent system, then the spirit of innovation, creativity, and individual genius which made this country what it is today will disappear.

"The patent system is a clear test of our resolve to preserve the heritage of individual freedom and enterprise which has built this country."

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