Patent and Trademark Office Appropriations Bill

Statement on Signing H.R. 6260 Into Law. August 28, 1982

I am pleased to sign into law H.R. 6260 which authorizes appropriations for the Patent and Trademark Office for fiscal years 1983–1985. Throughout our Nation's history, the patent system has played a critically important role in stimulating technological advances. This legislation will make it possible for the Patent and Trademark Office to improve its operations and thus revitalize its traditional role of encouraging technical innovation.

This measure reflects the policy of this administration that those who benefit most directly from services should pay their fair share for them. For years the Patent and Trademark Office has not had the resources to carry out its mission properly or to modernize its operations. Now that this legislation is in place, most users will pay the actual cost of processing patents and trademarks. This means that even though the expenditure of tax revenue in FY 1983 to support the Patent and Trademark Office will be $21 million lower than in FY 1982, the total resources available to the Office through increased user fees will permit it to become a first-class service organization.

We neither want nor expect the increased user fees to discourage the ingenuity and creativity of individual inventors. Many of our most important inventions have come from individuals working alone. Accordingly, the bill provides that independent and small business inventors, as well as nonprofit corporations, will pay only 50 percent of the actual patent processing costs.

A major deterrent to using the patent system, especially by small businesses and independent inventors, is the inordinately high cost of patent litigation. This bill authorizes voluntary arbitration of patent validity and infringement disputes. This will not only improve the patent system and encourage innovation, but will help relieve the burden on the Federal courts.

Development of new technology is a vital ingredient in my administration's plan for economic recovery. This measure is a significant step in this process. At the same time, it symbolizes our commitment to making the Federal Government more effective and efficient. It is an excellent example of how the Federal Government can provide better service at less cost to the taxpayers, and I commend the Congress for enacting this important measure.

Note: As enacted, H.R. 6260 is Public Law 97–247, approved August 27.

The statement was not received in time for inclusion in last week's issue.