



The Honorable Andrei Iancu, Co-Chair
The Honorable David Kappos, Co-Chair
Judge Paul Michel (Ret.), Board Member
Judge Kathleen O'Malley (Ret.), Board Member
The Honorable Gary Locke, Board Member
The Honorable Lamar Smith, Board Member
Frank Cullen, Executive Director

March 24, 2026

The Honorable Darrell Issa
Chairman
House Judiciary Subcommittee on Courts,
Intellectual Property, Artificial Intelligence,
and the Internet
2138 Rayburn House Building
Washington, DC 20515

The Honorable Henry C. "Hank" Johnson, Jr.
Ranking Member
House Judiciary Subcommittee on Courts,
Intellectual Property, Artificial Intelligence,
and the Internet
2138 Rayburn House Building
Washington, DC 20515

Dear Chairman Issa and Ranking Member Johnson:

We write in advance of the Subcommittee's March 25, 2026, oversight hearing of the U.S. Patent and Trademark Office (USPTO), where Director John Squires will testify. As an organization whose co-chairs are former USPTO Directors, we commend Director Squires for his commitment to strengthening the U.S. intellectual property system in service of American innovation and entrepreneurship. He has directly aimed to redress many longstanding intellectual property challenges, several of which C4IP has urged Congress to address through legislation, and which have a well-documented record of harming American innovators. We recount several such issues below.

The Council for Innovation Promotion (C4IP) is a bipartisan coalition dedicated to promoting strong and effective intellectual property rights that drive innovation, boost economic competitiveness, and improve lives everywhere. C4IP is chaired by two former directors of the USPTO, Andrei Iancu and David Kappos, who served under Presidents Trump and Obama, respectively. Our board further includes two retired judges from the Court of Appeals for the Federal Circuit, former Chief Judge Paul Michel and Judge Kathleen O'Malley. It also features two distinguished public servants: Lamar Smith, former U.S. Representative for Texas' 21st congressional district and Chairman of the House Judiciary Committee, and Gary Locke, former Governor of Washington, U.S. Secretary of Commerce, and U.S. Ambassador to China under President Obama.

First, we commend Director Squires for his efforts to restore balance to the availability of injunctive relief in patent cases. The USPTO's recent statements of interest filed in district court and the International Trade Commission (ITC) represent a meaningful shift in the federal government's posture — one that recognizes injunctive relief as an essential

remedy for patent holders whose rights have been infringed.¹ Since the Supreme Court’s 2006 decision in *eBay Inc. v. MercExchange*, courts have too often denied injunctive relief to prevailing patent owners, undermining the exclusivity that makes patent rights meaningful and weakening incentives for American innovators to invest in new technologies. While the USPTO statements of interest are an encouraging step, executive action alone cannot fully remedy this problem. A durable solution requires legislation, and C4IP strongly supports the Realizing Engineering, Science, and Technology Opportunities by Restoring Exclusive (RESTORE) Patent Rights Act as the appropriate vehicle for Congress to reestablish a more balanced and predictable standard for injunctive relief in patent cases.

We further commend Director Squires for the USPTO’s recent establishment of a Standard-Essential Patent (SEP) Working Group, which signals a welcome recommitment to U.S. leadership on this critical issue. SEPs — patents that cover technologies essential to widely-adopted standards like WiFi and 5G/6G — sit at the intersection of intellectual property, trade, and national competitiveness. In the absence of active U.S. engagement, foreign courts have stepped into the vacuum: courts in the United Kingdom and China have increasingly claimed the authority to set global licensing rates for SEPs, effectively arrogating to themselves the power to determine the pricing of foundational technologies used worldwide. China’s pursuit of this authority is particularly concerning, as it has the potential to disadvantage foreign innovators while advancing domestic champions in strategically important technology sectors in line with the country’s broader technology-industrial policy. American innovators and standard-setters deserve a level playing field, and unilateral rate-setting by foreign tribunals, without the consent of both parties, undermines the territorial integrity of patent rights and distorts the global licensing landscape. We hope that Director Squires will use the SEP Working Group as a platform to address these troubling developments.

We are likewise encouraged by the direction Director Squires is taking the Patent Trial and Appeal Board (PTAB). We applaud his efforts to curtail duplicative and repetitive inter partes review proceedings (IPRs) — a practice that has allowed patents to be challenged again and again, imposing substantial costs on patent holders and casting a persistent cloud over the validity of issued patents. At its core, the patent system only functions as an engine of innovation if patents represent secure, reliable assets that justify the significant investment required to bring new technologies to market. Without a meaningful degree of “quiet title” — the confidence that a duly issued patent will not be subject to endless

[1] Statements were filed in *Radian Memory Systems, Inc. v. Samsung Electronics Co.* (E.D. Tex. 2025), *In re Certain Dynamic Random Access Memory Devices* (ITC 2025), *Collision Communications, Inc. v. Samsung Electronics Co.* (E.D. Tex. 2026).

collateral attack — inventors and investors alike cannot make the long-term commitments that translate discoveries into products, jobs, and economic growth. We are pleased that Director Squires appreciates this need and is working to restore greater certainty for patent owners. We also commend his commitment to pursuing reforms through formal notice-and-comment rulemaking, which ensures transparency, accountability, and the opportunity for all stakeholders to be heard.

Some critics have raised concerns about the impact of PTAB reforms on small businesses, drug prices, and patent quality — concerns that, on examination, do not withstand scrutiny. First, the notion that PTAB primarily serves small businesses is contradicted by the data: the most frequent users of IPRs are among the largest corporations in the world, while small businesses and startups are among the targets of such challenges.² Second, claims that PTAB reform will significantly harm consumers by raising drug prices rest on a weak empirical foundation. Generic and biosimilar manufacturers have not historically relied on PTAB as a primary tool — biopharma petitions have consistently represented only a small fraction of total PTAB filings.³ The principal pathways for generic and biosimilar entry, including Hatch-Waxman litigation and the BPCIA, operate independently of PTAB proceedings.

Third, the patent quality argument deserves direct rebuttal. As the Sunwater Institute’s rigorous 2024 report, *Patent Quality in the United States: Findings and Suggestions for Policymakers*, concludes using three independent methodologies, the USPTO’s rate of improperly granting invalid claims is in the single digits, and if anything, the more significant error is the improper rejection of valid patent claims.⁴ Moreover, PTAB is not the only forum in which patent validity can be challenged. Accused infringers retain the ability to raise invalidity defenses in district court litigation, before the International Trade Commission, and through ex parte reexamination at the USPTO — robust mechanisms that ensure no patent is immune from scrutiny.

While Director Squires’ actions at the agency level are encouraging, we also believe that a durable solution to the most persistent problems with PTAB — including repetitive and duplicative challenges — ultimately requires legislation, specifically, the passage of the

[2] Unified Patents, *Patent Dispute Report: 2025 Mid-Year Report* (Sept. 2025), <https://www.unifiedpatents.com/insights/2025/7/9/patent-dispute-report-2025-mid-year-report>. (Finding that Samsung, Amazon, and Apple occupied the top three spots among the most active PTAB petitioners in the first six months of 2025).

[3] USPTO, *PTAB Orange Book Patent/Biologic Patent Study* (FY 2025 update), https://www.uspto.gov/sites/default/files/documents/Orange_Book_Biologics_Trial_Stats_July_2025.pdf.

[4] Ani Harutyunyan et al., *Patent Quality in the United States: Findings and Suggestions for Policymakers* (Sunwater Inst. Sept. 30, 2024), <https://sunwater.org/wp-content/uploads/2024/09/SWI-Policy-Report-Patent-9-23-2024.pdf>.

bipartisan, bicameral Promoting and Respecting Economically Vital American Innovation Leadership (PREVAIL) Act. We look forward to working with this Subcommittee to advance this reform that would provide lasting certainty for patent owners.

C4IP also applauds Director Squires for his statement to the Senate Judiciary Committee in support of patent eligibility reform.⁵ Director Squires has recognized that the current state of Section 101 jurisprudence lacks clarity and generates significant uncertainty across the patent system — undermining confidence in issued patents and eroding American competitiveness, particularly in artificial intelligence and other critical emerging technologies. Indeed, even after a patent successfully issues from the USPTO, Section 101 remains a frequent and unpredictable litigation tool, untethered from the underlying merits of infringement disputes. This is not just an abstract legal problem: it discourages investment in breakthrough technologies, disadvantages American innovators relative to foreign competitors operating under more stable IP regimes, and undermines the constitutional promise of the patent system. We welcome Director Squires' engagement on this issue, but a complete and durable fix requires legislation. C4IP strongly supports the Patent Eligibility Restoration Act (PERA) as legislation that would restore clarity, certainty, and predictability to Section 101 — and we urge this Subcommittee to advance it.

C4IP further appreciates Director Squires' thoughtful approach to the intersection of artificial intelligence and patent law.⁶ Notably, the USPTO's updated guidelines on AI-assisted inventions represent a meaningful and welcome improvement over prior practice. Earlier guidance imposed disclosure requirements on applicants who used AI tools in the inventive process — requirements that risked chilling the use of AI in innovation by creating uncertainty and compliance burdens without a clear corresponding benefit to the patent system. This change sends an encouraging signal to American inventors and companies that the USPTO will not treat the use of AI as a liability. As artificial intelligence becomes increasingly central to research and development across every technology sector, it is essential that the patent system keep pace, and Director Squires' early steps in this area suggest a promising trajectory.

In sum, C4IP is encouraged by the direction Director Squires is taking the USPTO and commends his engagement across the range of issues addressed above. We look forward to

[5] John A. Squires, *Statement by Director Squires before the U.S. Senate Subcomm. on Intellectual Property, Comm. on the Judiciary* (Oct. 10, 2025), <https://www.uspto.gov/about-us/news-updates/statement-director-squires-united-states-senate-subcommittee-intellectual>.

[6] USPTO, *Revised Inventorship Guidance for AI-Assisted Inventions*, 90 Fed. Reg. 54636 (Nov. 28, 2025), <https://www.federalregister.gov/documents/2025/11/28/2025-21457/revised-inventorship-guidance-for-ai-assisted-inventions>.

continuing to work with the Director, this Subcommittee, and Congress to advance reforms that strengthen the American patent system and ensure the United States remains the world's leading engine of technological progress. We appreciate the Subcommittee's attention to these important matters and welcome the opportunity to discuss them further.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Frank Cullen", is positioned below the "Respectfully submitted," text.

Frank Cullen
Executive Director
Council for Innovation Promotion (C4IP)

cc:

Rep. Jim Jordan, Chairman, House Judiciary Committee
Rep. Jamie Raskin, Ranking Member, House Judiciary Committee

Rep. Michael Baumgartner, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Ben Cline, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Scott Fitzgerald, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Russell Fry, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Lance Gooden, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Sydney Kamlager-Dove, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Laurel Lee, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Ted Lieu, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Zoe Lofgren, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Thomas Massie, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Joe Neguse, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Deborah Ross, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet

Rep. Eric Swalwell, Member, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet