

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

December 24, 2025

Michael Kratsios Director of the U.S. Office of Science and Technology Policy 1650 Pennsylvania Avenue Washington, D.C. 20504

Dear Director Kratsios,

We appreciate the opportunity to respond to OSTP's Request for Information on policies to accelerate American scientific enterprise.

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 U.S. Patent and Trademark Office (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's 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.

The United States leads the world in scientific discovery and technological progress because, over the past two and a half centuries, we've built a system in which individual ingenuity, public investment, and strong intellectual property (IP) rights reinforce one another to turn ideas into tangible and meaningful progress.

Strong IP protections are not an abstract legal concept, but a core economic asset. Large segments of the U.S. economy — from semiconductors and biotechnology to energy and software — depend on the certainty of intellectual property rights to justify the long timelines and high costs associated with translating research into useful products and services. Today, IP-intensive industries account for more than 40% of U.S. economic output and support over 62 million American jobs, evidence that a strong intellectual property system is inseparable from national economic strength.



In contrast to a centralized, top-down, and state-funded model like China's, the United States advances through a competitive model that depends on free-market investments. The free market depends on the rule of law, including predictable and stable intellectual property laws. Without robust intellectual property rights, capital will not flow to long-term, research-intensive innovation. This is also important for federally funded early-stage inventions; without significant additional private-sector interest and investment, such types of inventions are too nascent to be readily translated into useful goods, much less commercialized to the broader market.

At the center of the system of turning federally funded research into tangible improvements to everyday life is the Bayh-Dole Act, which for 45 years has provided the legal and economic foundation for effective public-private collaboration. By allowing recipients of federal research funding to take title to inventions arising from their work, the Bayh-Dole Act enables these research entities to identify private-sector partners that can continue to develop these initial inventions and grant them licenses with terms appropriate to the circumstances of that deal. The license, backed by the title the research institution owns, makes it possible for companies to assume the risk of bringing new technologies to market and, if successful, earn a return on that investment.

As a result, the Bayh-Dole Act facilitates translating taxpayer-funded discoveries into real-world products. Weakening this framework — by eroding patent rights or undermining the Act — would slow the innovation pipeline that this RFI seeks to advance.

History shows that the Act's design reversed years of stagnation of federally-funded research. Before the passage of the Bayh-Dole Act, fewer than 5% of federally-held patents were licensed, leaving most federally-funded inventions unused. Research shows that Bayh-Dole-enabled licensing and commercialization has contributed \$1 trillion to GDP, supported 6.5 million jobs, and helped launch more than 19,000 startups since 1996. Those outcomes are the direct result of a predictable IP framework that makes it rational for private partners to invest in early-stage research.

Even now, however, many recipients of federal funds find it difficult to successfully license their IP to interested private-sector partners. C4IP therefore urges caution against any proposals that would effectively add more risk to such a deal — this will only further decrease the likelihood that any private-sector entity will want to continue developing federally funded research. Early-stage university discoveries already require capital-intensive investment, are high-risk, and may be years or



decades away from commercial viability. If the government alters the Bayh-Dole Act and adds uncertainty to any eventual return, many private firms will reasonably conclude that the risk is no longer worth taking. The result is a lose-lose outcome: promising discoveries remain on the shelf, taxpayers see little return on their research investment, and publicly-funded science fails to translate into real-world products, jobs, or patient benefits.

Worse still, this pullback would not affect the global economy evenly. Countries that rely heavily on state-backed enterprises, such as China, can step in to develop and commercialize stranded ideas using government-directed capital. By contrast, U.S. companies operating in a free-market system may have no choice but to walk away from these opportunities altogether. Undermining private-sector incentives, therefore, stalls development at home and opens the door for foreign exploitation of American inventions.

One of the most effective ways that the administration can advance the technology transfer process is to strengthen and modernize the U.S. patent system itself. In addition to supporting the Bayh-Dole framework, the administration should also urge Congress to pass policies such as the Patent Eligibility Restoration Act (PERA), the PREVAIL Act, and the RESTORE Act, all of which would address misguided court decisions or excesses of previous administrations to restore clarity, fairness, and predictability to patent protection.

More specifically, PERA would ensure the availability of patent protection for important areas of technology such as artificial intelligence and biotechnology. PREVAIL would end the duplication of challenges that have been used to harass patent owners at the USPTO's Patent Trial and Appeal Board, and that have made patent enforcement expensive, slow, and unpredictable. And RESTORE would ensure that patents once again can be enforced to stop IP theft in the United States. All of these changes would help patents to play their critical role in the innovation ecosystem.

Such improvements would especially help small and mid-sized firms, which play an outsized role in developing federally-funded research. Reforms like PREVAIL and RESTORE would help level the playing field and ensure that smaller innovators can defend their intellectual property and compete on the merits.

The same principles apply to rapidly emerging fields such as artificial intelligence. Recent USPTO <u>guidance</u> appropriately recognizes AI as a tool that can enable patentable human invention. Continued clarity in patent eligibility — reinforced by

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reforms like PERA — will be essential to sustaining private investment in AI-driven research and development.

America's ability to broadly distribute the benefits of scientific progress has always rested on a bottom-up innovation model — one that allows any American to turn ideas into world-changing technologies because the patent system protects their work and the market rewards initiative.

American inventors such as Thomas Edison and George Washington Carver exemplify this tradition — translating discovery into industries that reshaped the economy and strengthened national resilience. Thomas Edison received virtually no formal schooling, yet he transformed experimental breakthroughs in electricity into commercial industries that reshaped the nation's economic trajectory. George Washington Carver, born into slavery and raised in poverty, developed agricultural innovations that revitalized regional economies, strengthened U.S. supply chains, and improved daily life for millions.

America became an innovation powerhouse precisely because our Constitutional patent system empowered independent inventors like Edison and Carver to disrupt existing industries, attract investment, and compete in an open economy.

Their stories reflect a core American truth: when opportunity is paired with strong intellectual property rights and sustained federal research support, innovation becomes a powerful engine of economic advancement, technological leadership, and national competitiveness.

Thank you for the opportunity to submit these comments. We stand ready to work with OSTP and the entire Trump administration to ensure that U.S. science policy continues to translate discovery into broad public benefit.

Sincerely,

Frank Cullen

Executive Director

Council for Innovation Promotion (C4IP)