

**Prepared Statement by Senator Chuck Grassley of Iowa
Chairman, Senate Judiciary Committee
Hearing on Oversight of the U.S. Patent and Trademark Office
April 18, 2018**

Good morning, everyone, and welcome to the Judiciary Committee's oversight hearing of the U.S. Patent and Trademark Office. Director Iancu, we're pleased to have you before us today. Welcome.

Intellectual property is critical to our national economy because it fuels innovation that improves lives and creates jobs. The U.S. Patent and Trademark Office (USPTO) plays a central role in fostering innovation by promoting and protecting intellectual property rights – so it's important for the office to have strong and accountable leadership.

It's appropriate for this committee to conduct robust oversight of the office so we can be informed about what's going right, what's going wrong, what needs improving, and whether stakeholders are satisfied with the system. We have a lot of topics to cover today.

The United States is the most talented, creative country in the world, and an effective and top-notch patent system only enhances the innovative spark and entrepreneurship for which our country is known and admired. A robust patent system helps to stimulate growth in our economy and create much needed jobs for Americans. Without such a system, entrepreneurs and inventors have fewer incentives to invest in, discover, and develop new technologies and products.

When Congress passed the America Invents Act (AIA) in 2011, our goals were to make the U.S. patent system more efficient and streamlined, and to enhance transparency, increase predictability and improve patent quality. The reforms contained in the America Invents Act also were meant to help the Patent Office process patent applications in a more expeditious manner and reduce its large backlog.

I want to know whether the America Invents Act is meeting those goals and being implemented in accordance with congressional intent. I want to hear about the legislation's successes, as well as concerns. I'd like to get an assessment of the proceedings and processes set up by the AIA. Also, I want to ensure that the Patent Office is doing everything it can to issue high quality patents in a timely manner, and to prevent abuses of the system.

In addition to patents, the U.S. Patent and Trademark Office is responsible for trademarks, as well as international intellectual property policy. The office also works on copyright policy with the U.S. Copyright Office. We'll want to get an update on what the office is doing in these areas. In particular, I'm interested in hearing about the office's support for the Marrakesh Treaty and the implementing legislation that the Senate Judiciary Committee has been working on with the Senate Foreign Relations Committee.

I want to discuss the office's efforts on geographical indications (GIs) and how it can best defend the U.S. policy of American companies to use common food names. I also want to hear about how the U.S. Patent and Trademark Office is ensuring that the competitiveness of U.S. companies is not undermined by intellectual property theft and market access restrictions abroad. It's critical that the office work closely with USTR, the State Department and others to ensure that our trade agreements contain strong intellectual property provisions and that the intellectual property of U.S. companies is protected in international dealings.

Finally, we'll want to know about the state of the U.S. Patent and Trademark Office's administration and management, whether its workforce policies have been effective and whether the office has addressed and resolved abuses that have occurred in the past. We'll want to know whether the office is charging appropriate fees and using those fees well, or if there is a need for additional resources or legislative reforms to better execute its directives.

So Director Iancu, I look forward to hearing about what steps you and the administration are taking to ensure that the U.S. Patent and Trademark Office fulfills its potential, as we strive to have the best intellectual property system possible to promote and protect intellectual property rights.