April 7, 1954

The Honorable Styles Bridges
Chairman, Senate Committee on Appropriations
Senate Office Building
Washington, D. C.

Dear Senator Bridges:

It is desired to express our views on one point in the appropriations bill which your committee has been considering. The particular item in mind is the appropriation for the United States Patent Office which we understand is being reduced to $11,000,000 for the next fiscal year.

We appreciate the problems faced in balancing the budget. We also appreciate the fact that anyone advocating an increase in appropriation or opposing the reduction of an appropriation faces the argument that everyone wishes his interest protected and wishes any reductions to be achieved in someone else's budget item. On its face we are in this position because we think it unwise to reduce the Patent Office appropriation except possibly on a short term emergency basis. We realize that the easiest way to reduce a budget is to slash all appropriations equally but such a move can only be a temporary solution. The disadvantage of this approach is that it tends to freeze appropriations at a certain level without regard to the need or desirability for any given function. As a function becomes less important, appropriations for it should be cut or eliminated. On the other hand, as functions become more important or the need for government activity in a certain field increases, covering appropriations should increase proportionately.

It seems to us that the proposed cut in Patent Office funds is unwise. The Patent Office work load is such that expansion rather than contraction in activity is indicated. The effect of a reduction in funds will undoubtedly be borne by cutting the Patent Office staff which means that longer delays in obtaining patents will result and, probably, the pressure on the Patent Office will result in poorer quality work.

One disadvantage arising from the delay in issuing patents arises from the fact that a patent has a life of 17 years so that the time of expiration of each patent and the time when its content becomes freely available to all is postponed that much longer by delay in the Patent Office.

A second important disadvantage arising from delays in the Patent Office arises from the fact that serious risks of infringement are introduced in putting new devices, products, etc., on the market. Most manufacturers determine their infringement liability before entering the market but the manufacturer is
unable to know what patents will issue in the future on applications then pending in the Patent Office. If the period of pendency is quite short, danger from this direction is minimized but if patent applications remain pending in the Patent Office for four or five years, for example, as is quite possible under the proposed appropriation, the dangerous period is substantially lengthened and a very serious infringement situation could very well arise in a period of this length.

Protection of invention was so important to the drafters of the Constitution that specific provisions related thereto were incorporated in the United States Constitution. Therefore, we respectfully urge that the proposed reduction in funds for the Patent Office be approved only as a last inescapable measure. We believe it would be much more logical and beneficial to the country in the long run to restore the appropriation at least to the figure provided last year.

Very truly yours,

T.L. Bowes, Asst. Secretary and Patent Counsel

CC: Hon. Irving M. Ives
    Hon. Herbert H. Lehman