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U.S. CHAMBER OF COMMERCE

March 21, 2012

The Honorable Steven Chu
Secretary of Energy
U.S. Department of Energy
1000 Independence Ave. SW
Washington, DC 20585

The Honorable Hillary Clinton
Secretary of State
U.S. Department of State
2201 C St. NW
Washington, DC 20520

The Honorable Ron Kirk
U.S. Trade Representative
Office of the U.S. Trade
Representative
600 17th St. N.W.
Washington, D.C. 20508

Dear Secretaries Chu and Clinton and Ambassador Kirk:

We would like to thank you and your colleagues for your dedicated leadership in support of American technology and innovation over the past several years and to ask once again for your steadfast attention to these issues as you and your negotiators engage in the Rio+20 process.

In particular, we value the hard work of your negotiators leading up to and during the Durban Conference of Parties (COP-17) meeting under the UN Framework Convention on Climate Change (UNFCCC) as well as in previous meetings. Going forward, there remains a need for work to safeguard the global Intellectual Property (IP) rules that underpin American innovation, technology and competitiveness in the UNFCCC process. Rules weakening IP protection would hamper technology development and diffusion and make it more difficult and expensive to achieve both domestic and global energy, sustainability, and climate change goals.

In that regard, we are facing major challenges in an additional forum: the Rio+20 Conference, to be held in June of this year. We urge you and your negotiators to adopt as consistent and pro-technology a position in Rio+20 as you have in the UNFCCC.

The Rio+20 Conference will pursue a number of critical goals including poverty alleviation, sustainability and natural-disaster planning and prevention. We support the development of well-structured, effective, and thoughtful mechanisms to achieve these objectives. Technology –

notably private sector investments in its development and diffusion – will be essential to achieving global sustainability, development, and growth objectives.

The volume of investment that will be needed to achieve the broad range of Rio+20 objectives is massive. While estimates vary, hundreds of billions of dollars will be required. Costs may be reduced by improving technology, for which private-sector involvement will be critical. In clean technology sectors, roughly two-thirds of investment in new and improved technologies comes from the private sector. Any long-term agenda must leverage such private investments and enable and encourage them to the greatest possible extent.

The evidence shows that intellectual property rights (IPR) play a positive and highly productive role in this regard. Based on evidence and experience, weakening IPR would be counter-productive to achievement of the Rio+20 goals. Patents, trade secrets, and other forms of IPR allow innovators to capture the value of R&D activity, provide private companies a means to distinguish their products from those of their competitors, and offer the commercial and economic incentives and assurances for innovators to share technology as well as the know-how needed for its use. Trade, foreign direct investment, commercial cooperation, and a range of other, market- and commercially-based actions are key to technological advancement.

In other words, IPR protection is an important tool and not a barrier. The continued, effective global protection of IPR serves environmental and global climate-adaptation and mitigation goals, as well as key U.S. economic and energy-security objectives. IPR do not constitute a barrier to technology dissemination, deployment, or use. To the contrary, IPR are critical enablers of innovation and the dissemination of technology globally that help the United States and countries around the world to achieve greater economic growth, competitiveness, and employment.

Despite this evidence, several countries are making the kinds of demands in the Rio+20 context that have been proposed and rejected under the UNFCCC. Specifically, a small handful of countries are seeking language to weaken IP protection based on the argument that IPR are a barrier to the development and diffusion of technology rather than a key instrument to achieve it.

Demands for weakening IP protection threaten achievement of the sustainable development and growth objectives in Rio+20, as well as the overall success of global negotiations. IPR protection is already well-regulated at the WTO and elsewhere; its discussion in a Rio+20 context would be counterproductive and a distraction for negotiators.

We ask that you take a consistent and strong stance that IPR protections not be weakened, and that IPR be kept off the Rio+20 agenda (as it was with the UNFCCC agenda). As in the UNFCCC, we believe that a positive and constructive agenda should be pursued instead of a negative agenda focused on undermining IPR.

Thank you again for your continued and unwavering support of American innovation. We hope to have the opportunity to engage directly with your negotiators responsible for the Rio+20 process at their earliest possible convenience and look forward to working with you and your negotiators to achieve the important goals set out in the Rio+20 process.

Yours sincerely,

Alliance for Clean Technology Innovation
Biotechnology Industry Organization
Business Council for Sustainable Energy
Coalition of Service Industries
Emergency Committee for American Trade
Information Technology Industry Council
Intellectual Property Owners Association
National Association of Manufacturers
National Electrical Manufacturers Association
National Foreign Trade Council
United States Council for International Business
U.S. Chamber of Commerce