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For Immediate Release: March 26, 2008

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## Sen. Barnitz's Patent Protection Bill Considered First of Its Kind

Landmark Legislation Would Bring Businesses, Jobs to Missouri

JEFFERSON CITY – Witnesses testifying in support of legislation sponsored by Sen. Frank Barnitz, D-Lake Spring, said the measure is "the first of its kind in the nation" that will make Missouri a very attractive place for entrepreneurs to do business. Sen. Barnitz presented Senate Bill 1244 to the Senate Economic Development, Tourism & Local Government Committee March 12. Supporters told committee members this landmark legislation will bring "a tidal wave of new businesses and jobs to Missouri."

SB 1244 creates the Entrepreneurial Development Council within the state Department of Economic Development. The council would consist of seven members from business and legal experts in the area of intellectual property. The measure also creates the entrepreneurial development and intellectual property rights protection fund. The council would have the authority to allocate money from the fund to help pay the legal fees of entrepreneurs who allege violations of their patents. The council also could allocate money from the fund to entrepreneurs who register with the council for the development, manufacture and advertising of new products.

"If someone comes up with an idea for a new product or service and obtains a patent, we want to make sure their intellectual property rights are protected," Sen. Barnitz said. "We also heard a lot of testimony that this bill could bring new business and jobs to Missouri. Witnesses told us that entrepreneurs would move to Missouri so their patents would be protected and that businesses would relocate to Missouri if this bill becomes law."

The key forms of intellectual property are patents, copyrights, trademarks and trade secrets. Intellectual property rights laws enable owners, inventors and creators to protect their property from unauthorized uses.

The World Bank's *Global Economic Prospects* report for 2002 found that "across the range of income levels, intellectual property rights are associated with greater trade and foreign direct investment flows, which in turn translate into faster rates of economic growth."

Dr. Ed Maters of Sikeston testified in support of SB 1244. He says no state currently protects patent rights and the federal government only gets involved in major cases of copyright or patent infringement.

"If someone goes on my land and steals my timber, they can be prosecuted and I can recover triple my losses," Dr. Masters said. "But if my new patent is stolen – if someone steals my livelihood, I'm out of luck."

Dr. Masters currently holds seven patents and has applied for two more. He says his patented idea for a safe hypodermic needle was stolen by a medical manufacturing company which started mass producing them. Dr. Masters says his attorney advised him there was little he could do unless he was willing to spend millions of dollars and several years defending his intellectual property.

"This law would create a safe haven for entrepreneurs in Missouri and would make the state a jobs magnet," Dr. Masters said. "If we had this law Missouri would attract new business startups from our neighboring states. With the weight of the state behind this – with the Attorney General enforcing intellectual property rights – entrepreneurs and inventors would flock to this state knowing their ideas would be protected."

According to the U.S. Department of State, "increased recognition and support of intellectual property has much to do with the rapidly rising standards of living in countries like China and India...the lack of protection for their intellectual property was forcing (their) scientists and technicians to emigrate to countries where their hard work could be protected and kept safe from unfair exploitation by competitors seeking easy advantages."

Richard LeBrash lives in Salem with his wife Judith and testified in support of SB 1244 during the committee hearing. He calls SB 1244 pioneering legislation.

"This bill does something that's never legally been done before," LeBrash said. "If you create this kind of protective environment for inventors and entrepreneurs, you will draw business from all over the country."

LeBrash, an inventor who holds multiple patents, says the measure would entice other inventors and entrepreneurs to move to Missouri to file their patent applications since those patents would be protected by the state. He says many companies make it a practice to steal patented ideas and products because individuals rarely have the resources necessary to legally defend their intellectual property.

Dr. Jerry Plunkett, a businessman and inventor from Dixon, also testified at the Senate hearing in favor of SB 1244.

"Personally, this is the most remarkable idea I've seen," Dr. Plunkett said. "Having been an inventor myself, I think it is absolutely essential for our society. The need for protecting intellectual property is very clear, the purpose is clear and the value is clear."

Dr. Plunkett said most inventions with patents are created by individuals and small companies that are not in a position to defend their patents. He said patent rights are easy to violate because most people do not have the money or the time necessary to defend them.

"This bill goes to the heart of the matter," Dr. Plunkett said. "It would allow Missouri to establish an insurance program to protect intellectual property rights."

Dr. Plunkett said China today copies our movies, books and songs without fear of retribution, thereby depriving American firms of an enormous amount of revenue. He said if Missouri adopts SB 1244, many small inventors would come to Missouri to establish the criteria necessary to qualify for the program created under the legislation.

Senate Bill 1244 must receive an affirmative committee vote before moving to the Senate floor for debate.

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