

Select Committee on Energy Independence and Global Warming

“Climate for Innovation: Technology and Intellectual Property in Global Climate Solutions”

July 29, 2009

9:30 am

210 Cannon House Office Building

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MINORITY QUESTIONS FOR THE RECORD

Questions for Govi Rao, Chairman, Lighting Science Group Corporation; Partner, Pegasus Sustainable Century Merchant Bank

- 1) What business operations does Lighting Science Group Corporation base in the US? For example, how many people do you employ here and abroad? Where are your LED bulbs and other components manufactured, i.e. how much of the work done for Lighting Science takes place in the US vs. internationally?
- 2) How secure do you feel about the protection of your patents/technology/innovative ideas in countries with a history of IP violations?
- 3) Your proposal for the creation of an IP clearinghouse/bazaar raises several questions:
 - Are you suggesting one international clearinghouse or several national entities?
 - Who would oversee activities between them all and ensure that all were participating and sharing information fairly? (There almost certainly would be a difference in approach between nations like the US and China.)
 - How would disputes be resolved?
 - How would members of the independent panel of technology and IP experts be selected?
 - Would this eliminate the role of the US Patent and Trademark Office in the arena of climate change technology?
 - Have you discussed this proposal with other government or non-government entities? What reactions have you received thus far? If the reactions have been varied, have you noticed a trend - geographical or economical - between the countries that seem supportive vs. those opposed?
- 4) IP issues are approached from a protectionist framework for a reason. While technological development is necessary to mitigate and adapt to a changing climate, I am concerned about China's historic lack of respect for IPR. How do you propose to enforce

IPR to protect American investors and businesses, while sharing our technology with the rest of the world, within the framework of your proposed IP clearinghouse?

Questions for Robert T. Nelson, Co-founder and Managing Director, ARCH Venture

Partners:

- 1) What are the most significant barriers to technology transfer to help developing countries become more energy efficient?
- 2) What policies can Congress adopt to facilitate innovation and development of new clean energy technologies? Internationally, what compensation structures could be developed to facilitate innovations, and at the same time, encourage widespread deployment of clean technology development?
- 3) If you were to attend the climate change negotiations in Copenhagen in December, what message would you deliver to China and India's representatives relative to IPR?
- 4) Do you believe that IPR issues should be taken off the climate change discussion table in Copenhagen?
- 5) Would ARCH Venture partners continue to invest in new technologies as prolifically as it currently does if IPR were weakened in Copenhagen as a result of the demands of countries like China and India?
- 6) One of our witnesses today (Govi Rao) has proposed the creation of an IP clearinghouse/bazaar, as a means to assist innovators and their innovations? As a venture capitalist, what are your thoughts on that?

Questions for Jennifer A. Haverkamp, Managing Director for International Policy and Negotiations, Environmental Defense Fund:

- 1) Can you further explain your observation that, "In the UN negotiations so far, intellectual property discussions display strong rhetoric but limited analytical basis?"
- 2) If, as you say, "our competitors don't need to steal our ideas to outcompete us in the new energy economy," then why insert IPR in the climate change discussions? Why make claims that climate change technologies should be treated as "public and common goods?"
- 3) Everyone recognizes the need for technological development to help mitigate and adapt to a changing climate. I am, however, concerned about China's lack of respect for IPR. How do you propose we enforce IPR to protect American investors and businesses, while sharing our technology with the rest of the world?
- 4) Do you believe that the UN negotiations place a higher focus on wealth transfer than environmental gain?

- 5) What policies can Congress adopt to facilitate development of new, clean energy technology?
- 6) Does the Clean Development Mechanism (CDM) work?
- 7) Do you believe that IPR issues should be taken off the climate change discussion table in Copenhagen, and reserved for a more appropriate forum? What would that forum be?

Questions for Dr. Mark T. Esper, Executive Vice President, Global Intellectual Property Center, US Chamber of Commerce:

- 1) China and India have had at best, a checkered history of protecting IPR. How can the US protect IPR? What sort of incentives should exist for private sector development of new technology? How can we enforce IPR to protect American investors and businesses, while sharing our technology with the rest of the world?
- 2) What are the most significant barriers to technology transfer to help developing countries become more energy efficient?
- 3) What policies can Congress adopt to facilitate development of new, clean energy technology?
- 4) What steps can Congress take to send our UN negotiators in Copenhagen a strong and unambiguous message to hold firm in the arena of IPR protection?
- 5) Do you believe that the UN negotiations are more focused on wealth transfer than environmental gain?