

January 15, 2009

The Honorable Timothy F. Geithner
Treasury Secretary-Designate
Office of the President-Elect
451 6th Street, NW
Washington, D.C. 20004

The Honorable Lawrence H. Summers
National Economic Council Director-Designate
Office of the President-Elect
451 6th Street, NW
Washington, D.C. 20004

Dear Secretary-Designate Geithner and Director-Designate Summers:

The thousands of companies represented by our organizations, and the U.S. workers they employ, are key drivers of the innovation that enables America to compete in today's global marketplace. As such, we respectfully request Congress take action in the upcoming economic recovery package to invest in America's intellectual infrastructure to support and create the high-quality, high-paying jobs of the 21st century.

Specifically, we ask that you support efforts to spur U.S.-based research and development (R&D) during the economic downturn by allowing small businesses to elect a one-time accelerated use, at a discount, of a portion of their accumulated net operating losses (NOLs) in exchange for giving up the future tax benefits associated with those losses. This proposal, if enacted, will help America's cutting-edge companies weather a difficult storm at a time when the U.S. capital markets are largely frozen to many of our nation's most innovative businesses. Further, this proposal will help to ensure that U.S.-based R&D by smaller firms does not drastically decline or disappear as America's capital markets recover from the current financial crisis. Failure by Congress to move quickly to enact this temporary proposal could result in a sharp decline in R&D on cutting-edge technologies (many of which are in fields where the U.S. is currently the global leader) and additional job losses.

Investing in America's intellectual infrastructure is key to economic growth and instrumental in spurring entrepreneurial innovation and job creation. Innovative, research-intensive industries enhance America's living standards while creating high-quality, high-paying jobs. American innovation is increasingly challenged by more rigorous global competition and the future of the American economy depends on critical investments today to lay the groundwork for the breakthroughs of tomorrow. Without investment in these fields, the U.S. will find it more difficult to compete in a 21st century global economy.

We respectfully urge you to invest in America's intellectual infrastructure by including a proposal to accelerate the utilization of NOLs in the upcoming economic recovery and reinvestment legislation. We thank you for your consideration of this request and we look forward to working with you to get our economy moving again in a way that protects and creates the high-paying jobs associated with America's innovation economy.

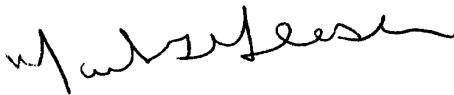
Sincerely,



James C. Greenwood
President and CEO
Biotechnology Industry Organization



Stephen J. Ubl
President and CEO
Advanced Medical Technology
Association



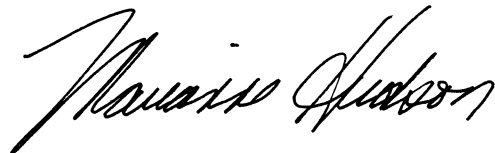
Mark G. Heesen
President
National Venture Capital Association



Mark B. Leahey
President and CEO
Medical Device Manufacturers
Association



Jonathan Zuck
President
Association for Competitive Technology



Marianne Hudson
Executive Director
Angel Capital Association



Patricia Glaza
Executive Director and CEO
Clean Technology and Sustainable Industries Organization



Sean Murdock
Executive Director
NanoBusiness Alliance



Zack Lynch
Executive Director
Neurotechnology Industry Organization



Bretton Alexander
President
Personal Spaceflight Federation



F. Mark Modzelewski
Founder and President
Water Innovations Alliance

Cc: Austan Goolsbee
Jason Furman