DIVERSITY PLEDGE PRESS RELEASE

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Innovation is the new global currency. Much like the realization of the importance of oil in the 1970's, countries are working diligently to become more innovative to increase their national competitiveness, whose foundation is increasingly built on technology leadership. This linkage between technology, innovation and national competitiveness has focused attention on how to increase technology and innovation within one's economy. In the last several years, the United States Patent & Trademark Office (USPTO) has successfully highlighted the linkage between invention and gross domestic product (GDP) through their research. According to Professor Lisa Cook, a former Edison Fellow for the USPTO, "if we quadruple the number of inventors, we could increase the overall level of U.S. GDP by up to 4.4%. For some reference, 4.4% of the \$23 Trillion U.S. GDP in 2021 represents about \$1 trillion in potential annual growth to the U.S. economy." Looking specifically at the potential of women's inventorship, the USPTO calculated that in 2019, women made up only 12.8% of all inventor-patentees in the United States. Compare this to the 35% of STEM graduates in the US that are women. This persistent underrepresentation of women has created an unnecessary drag on American innovation and prosperity.

To address these issues, the Diversity Pledge was launched by the US IP Alliance (USIPA) in 2021, which encouraged companies to use patent data to visualize who is and is not participating in their innovation and inventorship processes. Today, more than 50 major companies in the United States and Europe have signed the Pledge to understand and address the issue of underrepresented inventors (URI) within their organizations and to facilitate more participation in the innovation ecosystem so that all people and ideas in the United States have an opportunity for success. We can all agree that as a nation we need to do better at creating an innovation ecosystem where all talented inventors can participate. Today, AT&T, Lenovo, Meta, Owens Corning, and Twilio are publicly sharing their gender baseline data with the hope that their efforts will encourage greater transparency of inventorship data by all companies.

"The USPTO is committed to doing our part toward increasing participation in the innovation ecosystem. That starts with identifying metrics and understanding current obstacles for underrepresented and under-resourced innovators and working with allies in the public and private sectors on a comprehensive approach to ensure all those with dreams of innovation have a fair shot at success. I am proud to serve with Department of Commerce Secretary Gina Raimondo and other government and industry leaders as we work to implement the National Strategy for Inclusive Innovation to advance the Administration's priority of increasing America's economic prosperity ensuring more underrepresented Americans participate in our innovation ecosystem. We applaud all organizations who have signed and support the Diversity Pledge to bring about real change, and we encourage more companies to stand up and lead in this critical area." Kathi Vidal, Under Secretary of Commerce for Intellectual Property and Director of the U.S. Patent and Trademark Office (USPTO).

"Companies currently account for 80% of granted patents in the United States, therefore focusing on increasing inventor inclusivity within companies can help us quickly improve our national numbers. Pledgee companies sharing their gender baselines will help normalize the transparency needed around inclusivity and will also provide a way for other

companies to begin benchmarking themselves against this new set of inclusivity metrics. iDII is focused on providing best practices, practical advice, and ways for companies to quickly gain the knowledge and expertise needed to transform their innovation and inventorship processes to be more inclusive and successful." Suzanne Harrison, co-founder of The Diversity Pledge and Increasing Diversity in Innovation (iDII).

AT&T:

For calendar year 2023, the inventorship rate –proportion of women inventors for patents filed with the US Patent and Trademark Office by AT&T– was 20.6% and the fractional inventorship rate was 16.8%.

"Increasing inventorship among women is the critical first step for them to receive approved patents, bringing their unique perspectives that drive innovation and create more effective solutions. AT&T has been working closely with our inventors to make sure every voice is heard, and the best ideas get filed as patents. As we have previously shared, we have made great progress over the past decade expanding the idea-to-patent pipeline for women employees. For example, in 2018, 12% of the patent ideas submitted by employees to AT&T Intellectual Property to be considered for filing with the US Patent and Trademark Office had women inventors. In 2022, that percentage had doubled, to 24%. In that same time frame, the percentage of women inventors at AT&T receiving patents went up from 9% to 12% representing 33% improvement.

Encouraging equity in inventorship, especially in a corporate setting, breaks down systemic barriers and inspires other women and under-represented inventor groups to come forward and share their ideas. Diverse teams enhance problem-solving capabilities, leading to better products and services that cater to a broader market that better reflects the customers we serve. Ultimately, women's contributions lead to significant social impacts in fields like healthcare and education, benefiting society as a whole and ensuring a more inclusive, dynamic, and innovative future." Scott Frank, CEO of AT&T IP

Lenovo:

Women represent 29% of Lenovo's workforce in tech roles (see <u>Lenovo's 2023/24</u> <u>Environmental, Social, and Governance Report</u>). For calendar year 2023, the inventorship rate for Lenovo's female inventors was 18.0% and the fractional inventorship rate was 15.8%.

"Lenovo is committed to improving patenting at Lenovo so that anyone, anywhere can participate in the innovation process. Our work on these improvements began by first working to understand how to define and measure participation of underrepresented inventors. Now, we are developing and running pilots to see what we can do to improve ourselves. Lenovo is looking forward to finding ways to increase inclusivity in our innovation. By collaborating with and learning from our pledge partners, we can together find solutions to this global issue faster and better than we would on our own." John Mulgrew, Vice President, Deputy General Counsel & Chief Intellectual Property Officer at Lenovo

Meta:

Women represented 24.8% of Meta's workforce in tech roles (see <u>Meta's 2022 Diversity</u> <u>Report</u>). For calendar year 2023, the inventorship rate for Meta's female inventors was 17.6% and the fractional inventorship rate was 16.8%.

"The U.S. Patent Office exposed a disturbing reality in its Progress and Potential Report: women and people from marginalized communities are being left behind as inventors across the country. The Diversity Pledge has taken this revelation to the next level -- gathering data from dozens of companies that not only validates these findings but also underscores the pervasiveness of systemic inequality within the innovation ecosystem. This disparity is not merely a matter of numbers; it represents a profound loss of talent, creativity, and innovation potential. By shedding light on these inequalities, we can begin to dismantle the barriers that have long excluded women and marginalized communities from the innovation ecosystem. Data transparency is crucial in helping us understand the problem and adopt more inclusive practices. It is our collective responsibility to confront these inequalities head-on and work towards creating a more inclusive and equitable innovation ecosystem that benefits everyone. By doing so, we can unlock the full potential of diverse talent, drive innovation, and build a brighter future for all." Jeremiah Chan, Head of Patents. Licensing, and Open Source at Meta

Owens Corning:

Women represented 31.3% of Owens Corning's workforce in science and technology roles. For calendar year 2023, the inventorship rate for Owen Corning's female inventors was 24.0%, and the fractional inventorship rate was 25.9%.

"The interconnectedness of our world is a consideration that must stay at the center of innovation. To innovate human-centered solutions for the complex challenges we face as a society today, we need an inclusive and diverse workforce innovating these solutions. The work being done by the Diversity Pledge to increase awareness and drive transparency will lead to positive changes for people, and our businesses." José Méndez-Andino, executive vice president and chief R&D officer, Owens Corning.

Twilio:

For calendar year 2023, the inventorship rate for Twilio's female inventors was 18.4% and the fractional inventorship rate was 18.7%.

"Since joining the Patent Diversity Pledge, Twilio has increased our efforts to identify root causes and raise internal awareness about gender disparity in innovation. By collaborating with other companies and sharing best practices, we are developing collective solutions to address innovation disparities. Through internal initiatives such as patent education sessions and highlighting women inventors' stories, we've increased awareness and engagement with the patent process. We saw a substantial improvement in women inventor participation in 2023. This success aligns with Twilio's commitment to inclusive

practices and data-driven DEI objectives." - Kathryn Murphy, SVP Product & Design at Twilio, Executive Sponsor of Twilio's Patent Diversity Pledge

"Given the clear need for technological innovation in society, greater effort must be placed on attracting talented people into STEM fields and incentivizing them to invent and innovate. On the top level, the metrics are quite clear that much more can be done though the challenges are heterogeneous across different demographic groups. Now that the problem is clear and present, the hard work begins to find positive sum solutions that lift all ships. Our experience thus far is that an inclusivity-first approach is the best way to raise the engagement of all actors by capturing the latent potential of those already employed within organizations. Where inclusivity leads, diversity will follow naturally. To achieve this, we need better inclusivity metrics that can capture the complexity of invention and innovation, as well as more accountability. Afterall, greater inclusivity leading to higher firm performance is not only socially desirable, but the essence of good leadership." Bowman Heiden, co-Founder of iDii.

