Newmark Knight Frank Frederick Ross



January 23, 2012

David Kappos Director US Patent and Trademark Office PO Box 1450 Alexandria, VA 22313-1450

Dear Mr. Kappos:

I am writing to you today to ask for your help to promote Colorado as the location of a new satellite office for the U.S. Patent and Trademark Office (USPTO). The office would be a facilitator in bringing together the region's relevant policy support activities in research, regional, enterprise, innovation, information society, education and sustainable policies.

The elements of economic productivity—strong infrastructure, a skilled and highly-educated workforce, and interrelated networks of firms—come together on the regional level to drive prosperity, even in the midst of the recent recession. Colorado's knowledge capital, innovation and opportunism are a pervasive influence that enables process, product and service innovation throughout the economy.

What better testament to the strength of the area, than the 7.3 million square feet of commercial real estate properties which traded in 2011 reaching a total consideration of \$1.2 billion. The top sales of 2011 were Invesco's purchase of 1800 Larimer for \$213.2 million, which equates to a record \$430 per square foot, and Brookfield Office Properties' purchase in December of 1801 California, the former Qwest Communications headquarters, for \$215 million. Investors are bullish regarding their prospects for tenant retention and expect office rent growth in the coming year.

Private investment is complemented by public investment in the regions infrastructure, including the nation's largest public transit expansion. Denver is recognized as a national leader in development efforts through public/private partnerships. This includes the joint efforts of the Downtown Denver Partnership and DURA (Denver Urban Renewal Authority), which conceptualized and developed the 16th Street Mall, and culminates with the City of Denver and Greater Denver Chamber of Commerce's success with the development of Denver International Airport (DIA). Other southwestern cities like Houston, have studied Denver's revitalization plans in order to emulate its success.

The numerous area educational and research institutions play an integral role in the prosperity and life of the community, in addition to educational activities they exhibit a commitment to—research, outreach, and development partnerships. The Denver/Boulder metropolitan area



Page 2
Denver, Colorado satellite U.S. Patent and Trademark Office (USPTO) office

boasts a well-educated workforce, as can be verified by the density of over 14 higher educational institutions in Denver and the surrounding areas. It is also home to 14 federal research labs, including the National Renewable Energy Laboratory (NREL) and the National Oceanic and Atmospheric Administration (NOAA). The area has phenomenal access to intellectual capital providing the employment base for area firms. For six years running, Denver has ranked among the top 10 most literate cities in the country according to a study released by Central Connecticut State University. Colorado is the third-most-educated workforce in the nation. That brainy workforce has pushed Colorado to second place in terms of the number of patents issued to companies or individuals per 1,000 workers (source: 2010-11 Colorado Economic Development Databook).

Two main factors—education and innovation—work together in the region to drive sustainable economic growth. The Denver/Boulder area has the mix of capital, universities, a high-tech talent pool and appealing lifestyle needed to hatch tech start-ups. Venture capital dollars are following the entrepreneurs. According to the National Venture Capital Association, venture capitalists invested \$2.3 billion in 393 Colorado start-ups from 2007 to 2010. In 2011, Colorado tech start-ups raised \$618.7 million in venture capital, solidifying it among the country's up-and-coming tech centers.

The region has a large pool of highly skilled workers to generate and share new ideas, and to find new ways of doing business—and currently holds the No. 1 ranking in attracting talent and skilled labor. The Brookings Institution ranks the Denver metropolitan area as the top "cool" city to which young adults ages 25-34 relocated during 2008-2010. "Young Adults are headed to metro areas which are known to have a certain vibe - college towns, high-tech centers, and so-called 'cool cities'."

Colorado ranks 2nd in business start-ups per capita. The Denver/Boulder area sustains a thriving entrepreneurial culture which would blossom with the addition of a satellite patent office. Here, research and business innovation are supported by a synergistic environment which currently exists amongst technological development, economic growth, and education and quality-of-life factors.

In an economy with increasing global competition and diminishing resources, Colorado plays an important central role for our region and the Metro Denver area is a great strategic location for a USPTO satellite office.

METRO DENVER HIGHLIGHTS

- A well-connected, diverse business environment
- A core of young, active workers who are more productive due to their balanced lifestyle
- The nation's third most educated workforce
- Multi-modal transportation network—nation's largest public transit expansion
- Robust Internet, satellite, and cable communications— city's geographic location makes
 it possible to offer one-bounce satellite uplinks that provide real-time connections to six
 continents in one business day;
- World-class cultural amenities, sports teams, and recreation

Page 3

Denver, Colorado satellite U.S. Patent and Trademark Office (USPTO) office

- Proximity to Denver International Airport, the nation's fifth busiest airport
- Strong technical workforce and several major universities with outstanding science and engineering programs;
- Denver/Boulder is a hub for entrepreneurs and venture capital

The area is home to one of the country's most vibrant clusters of innovation, from renewable energy, bioscience and aerospace to the high-tech sector. Our innovation-based industries are heavily dependent on the approval of new patents for growth. Currently U.S. Patent and Trademark office teleworking examining attorneys reside in Colorado. Additionally, our state boasts a large number of technology workers that would be excellent long-term patent examiners.

Furthermore, the region maintains characteristically high ranks for cost of doing business, labor force quality, and other key indicators that attract companies:

- MarketWatch.com ranked Denver sixth among the "Best Cities for Business" in 2011
- "Best Places for Business" released by Forbes, Metro Denver ranked ninth among the top 50 areas
- Denver ranked 8th among the nation's 30 "Best Cities for New College Grads" in Bloomberg Businessweek, 2010. The report also named Denver the "Wall Street of the West" offering abundant job opportunities in financial services plus career options in healthcare, telecommunications, and other sectors.

Contributing to the area's high quality of life, Denver is centrally located and lies in the foothills of the Rocky Mountain region. Located 15 miles east of the front range of the Rocky Mountains, Denver offers majestic views, world-class skiing and summer activities within a 60-minute drive.

These unique qualities, among many others, make Colorado the perfect choice for a new office.

Yours sincerely,

Kevin J. McCabe

Executive Vice President

kmccabe@newmarkkffr.com

Levin Mc Cube

303.260.4313