



Computer & Communications Industry Association

1972-2012: 40 YEARS OF TECH ADVOCACY

May 22, 2013

The Honorable John Cornyn
U.S. Senate
517 Hart Senate Office Building
Washington, DC 20510

Dear Senator Cornyn:

CCIA applauds your introduction today of the Patent Abuse Reduction Act of 2013. American industry needs leadership such as yours to help curtail the flood of abusive patent litigation. Patent assertion entities (or PAEs) are harming the American economy. PAEs have recently branched out from suing large businesses to suing everyone from retailers to grocers to individual software developers. PAEs rely on the enormous cost of defending against patent infringement to obtain settlements, taking advantage of legal rules intended to protect research investments as their means of extortion.

A particular problem in patent infringement suits filed by PAEs is that the complaints give the accused infringer no idea what it is actually accused of doing. We believe that Section 2 of the Patent Abuse Reduction Act would be a strong step forward in providing accused infringers the information they need in order to defend themselves. We also believe that revising Civil Form 18, as the Act does, is critical to forcing PAEs to plead their claims with specificity. As you know, the Federal Circuit recently decided that the current Civil Form 18 allows vague pleading of patent infringement.

Discovery costs are also a major problem in PAE suits, because a PAE typically has very few documents to produce; an accused infringer may have to spend millions of dollars on discovery. This asymmetry forces accused infringers into larger settlements. Section 4 of the Patent Abuse Reduction Act brings needed balance to this process, and should help to end costly fishing expeditions. At the same time, the definition of "core documentary evidence" helps ensure that the purpose of discovery is still satisfied.

This is a strong bill that takes important steps towards addressing the problem of patent assertion entities, also known as patent trolls. We look forward to working with you on the Act as it moves through the Senate.

Thank you for your efforts on curbing patent abuse.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Black". The signature is fluid and cursive, with a large initial "E" and a long, sweeping underline.

Ed Black
President & CEO
Computer & Communications Industry Association