Patent Trolls and Bad Patents Continue to Be Reality for U.S. Companies

WASHINGTON — United for Patent Reform – a coalition made up of hundreds of companies from nearly every sector of the U.S. economy – today voiced concerns about Director Iancu’s Oct. 18 speech to the EDTX Annual Bar Association dinner:

Contrary to USPTO Director Iancu’s comments on Oct. 18 to the Eastern District of Texas Bar Assn., patent trolls both exist and continue to represent a serious concern and threat to small, medium and large job-creating companies all over the U.S. One need only talk to the thousands of companies sued annually by abusive entities who leverage poor-quality patents that should never have been granted by the USPTO in the first place.

For instance, those companies are as diverse as Durham, NC LED manufacturer CREE; 40-employee fitness start-up Motiv; or Las Vegas-based Lochsa Engineering. Each was targeted through abusive litigation tactics using patents of questionable validity by non-practicing entities (NPE) seeking unwarranted and undeserved payouts. These examples represent a fraction of the companies sued by abusive NPEs every day.

We disagree with the implication that efforts to rein in patent trolling equate to seeking to harm the patent system or stifle innovation. In fact, over the past several years Congress, the Supreme Court and even the USPTO itself have recognized the real-world harm patent litigation abusers and the poor-quality patents that fuel them have on real job creating U.S. businesses across all sectors of the economy.

We applaud the positive reforms, decisions and hard work Congress, the Courts and the USPTO have carefully advanced over the years to restore needed balance to the U.S. patent system for innovators and businesses across the country. We are hopeful that the USPTO remain committed to improving the quality of patents it approves while also maintaining the effectiveness of tools, such as the Inter Partes Review program which has proven to be invaluable for weeding out bad patents, as it was intended by Congress.

About United for Patent Reform

United for Patent Reform is a broad coalition of diverse American businesses—from national Realtor, construction, and technology businesses to Main Street retail shops, automobile manufacturers, hotels, grocers, convenience stores, and restaurants—pursuing comprehensive solutions to abusive patent litigation. For more information, visit www.UnitedforPatentReform.com and follow us on Twitter at @U4PatentReform.

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