

April 30, 2014

The Honorable Patrick Leahy
Chairman
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

The Honorable Charles Grassley
Ranking Member
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

Dear Chairman Leahy and Ranking Member Grassley:

Patents are bedrock to the American innovation economy, but when they are used by patent trolls to extort American businesses, Congressional action is unquestionably necessary. Today, abusive patent litigation is killing small companies, chilling employment and growth of all companies, and stifling the economies of a wide range of industries nationwide. Instead of investing in new jobs and services, businesses must fight frivolous claims and overly broad lawsuits made by patent trolls against a range of technologies and commonplace ideas.

To stop patent abuse, the undersigned support legislation that makes it easier to:

- Curb abusive demand letters and punish those entities sending them;
- Uncloak trolls that hide behind shell corporations;
- Protect customers and end users from lawsuits based on their use of another company's products and services;
- Understand the basis of a claim of infringement through reasonable pleading and transparency requirements;
- Protect against baseless fishing expeditions in the current patent litigation system's discovery process that drive up legal costs; and
- Make trolls pay when they file frivolous cases.

We understand that Senators Schumer and Cornyn are working on a bipartisan compromise package with you and several of your Judiciary Committee colleagues. We expect that the draft on which these Senators are working will include several important provisions to reduce patent abuse, including:

- Requiring patent demand letters to include basic information about the alleged infringement and the method by which a demand was calculated;
- Requiring patent owners to reveal their ownership when demanding licenses and attempting to enforce a patent;
- Protecting customers and end users from lawsuits based on alleged infringements by manufacturers and service providers;

- Requiring the party bringing suit to disclose the basis and scope of the suit in the initial pleading;
- Injecting greater clarity and balance into the discovery process, including rules that ensure a timely resolution of claim construction and limit discoverable content to that information directly relevant to the case; and
- Requiring more litigants to the prevailing party's legal fees and costs when a lawsuit alleging infringement is not objectively reasonable in law and fact; and
- Making it easier for courts to get rid of frivolous claims of willful infringement.

The undersigned strongly support these solutions to very real and very costly problems that inhibit innovation and economic growth. To date, we have borne the economic costs and burdens of a patent system increasingly held hostage by trolls that do not seek to build up the American economy, but rather tear it down, one demand letter and exorbitant licensing fee at a time. We have worked earnestly with Members, staff, and representatives of a diverse cross section of industries to reach a compromise that, while not our ideal solution, is one that we believe would help restore balance to the system in a manner that will help to bolster innovation and the entrepreneurial spirit we all embody.

Finally, we urge you to reject suggestions that requiring transparency, fairness and good faith dealing in patent assertions and litigation undermines the American patent system in any way. We urge you to dismiss the complaints and assertions of those who, despite years of study and months of discussion and negotiation, still downplay the gravity of the problem facing our industries. Those who use and benefit from the patent system should support these common sense, urgently-needed solutions to the distortion of that system.

On behalf of millions of small businesses, startups, innovators and Main Street America, we urge your strong support for bipartisan legislation that provides urgently needed relief and reform, and encourage your continued efforts until the job is done and the bill becomes law.

Sincerely,

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Airware

Alabama Association of Realtors

Alabama Bankers Association

Alabama Restaurant & Hospitality Alliance

Alain Pinel Realtors
Alaska Hotel & Lodging Association
Allsop Inc.
AMD
American Apparel & Footwear Association
American Automation and Communications, Inc.
American Bankers Association
American Gaming Association
American Hotel & Lodging Association
American Public Power Association
American Public Transportation Association
American Society of Travel Agents
Amplifier Technologies, Inc.
AOL
Appel Associates
AppKey
Apple
Application Developers Alliance
Arizona Lodging & Tourism Association
Arkansas Hospitality Association
Asana
ASHI, the American Society of Home Inspectors
Association of Vermont Credit Unions
ASSURANT
Automattic
Balanced Inc.
Banjo
Barnes & Noble, Inc.
Berkshire Hathaway HomeServices Florida
Bitly
BJ's Pizza
BlackBerry Limited
BlueSalve/RH Associates, LLC
boingo wireless, inc.
Boku, Inc.
BrightPear Designs, LLC
Broadcom
BSA |The Software Alliance
California Hotel & Lodging Association
Cambly
Card USA, Inc.
CardSpring
Carlson

Caspida, Inc.
CenturyLink
Champaign-Urbana Mass Transit District
Charmtech Labs LLC
Chartbeat
Cisco Systems
Clever
Cloudera
Coalition for Patent Fairness
Cobra
Colorado Hotel & Lodging Association
Competitive Carriers Association
COMPTEL
Computer & Communications Industry Assocaition
Conference Edge
CONNECTEDEVICE Ltd.
Connecticut Lodging Association
Consumer Electronics Association
Credit Union Association of New York
Credit Union National Association
CrowdMed
Crutchfield Corporation
Crux Interfacing Solutions
Dailymotion
Delaware Association of Realtors
Dell
Demand Progress
DeskTop Fab, Inc.
DineEquity, Inc.
Direct Marketing Association
DISH Network Corporation
Docker Inc.
DOTS
Dropbox
Dual Electronics Corp.
Dustin Moskowitz
EasyPost
eForCity
Electronic Frontier Foundation
EMC
EMTEC Electronics
Engine Advocacy
Enigmatics

Entertainment Software Association
Etsy
Etymotic Research, Inc.
Evanger's
Expensify
Express, Inc.
Facebook
Fairfax County Chamber of Commerce (VA)
Find The Best
First Team Real Estate--Costa Mesa, CA
Florida Association of Realtors
Florida Restaurant & Lodging Association
Food Marketing Institute
Footwear Distributors and Retailers of America (FDRA)
Ford
Foundry Group
Foursquare
Freedom Scientific, Inc.
Funai Corporation, Inc.
Georgia Association of Realtors
Georgia Hotel & Lodging Association
Georgia Restaurant Association
Giphy
Google Inc.
GP International
Graphic Arts Association
Great Lakes Graphic Association
Greater Capital Association of Realtors (DC)
Green Edge Technologies, Inc.
Gregory Bevington
GreyHair Advisors
Hacker School
Haier America
Hangtime inc.
Harte-Hanks
Hasbro
Hattery
Hawai'i Lodging & Tourism Association
Hawaiian Telcom
HelloSign, Inc.
HEX Holdings LLC
High Resolution Technologies, LLC
Hilton Worldwide

Homebrew
HP
HTC America, Inc.
Hubbard Inn -- Chicago, IL
Huppin's / OneCall
i2Coalition
iBoard Inc.
Idaho Association of Realtors
IHOP/GTE-ENT, LLC
Illinois CPA Society (ICPAS)
Illinois Hotel & Lodging Association
Illinois Public Transportation Association (IPTA)
Illinois Restaurant Association (IRA)
Illinois Technology Partnership
Inadco
Incident
Independent Bankers Association of Texas
Independent Community Bankers of America
Indiana Association of Realtors
Indiana Restaurant & Lodging Association
Information Technology Industry Council (ITI)
Instapaper
InterContinental Hotels Group
International Council of Shopping Centers
Internet Association
Intuit
Iowa Association of Realtors
Iowa Restaurant Association
JCPenney
Jump Rope
Juniper Networks
Kanjoya, Inc.
Kickstarter
Kreider Services (IL)
Lift Worldwide
Limitless Creations
LinkedIn Corporation
Logitech Inc.
Long & Foster Companies, Inc.
Louisiana Hotel & Lodging Association
Macy's
Main Street Patent Coalition
Maine Innkeepers Association

Mark Cuban
Marriott International, Inc.
Maryland Association of Realtors
Massachusetts Lodging Association
Material Service Testing – Elk Grove, IL
Matrix Advisors, LLC
Max Borges Agency
MAXSA Innovations, LLC
McNutt Consulting Services (MCS) Office Technologies – Gibson City, IL
Medium
Meetup, Inc.
Mesosphere
Michigan Association of Realtors
Michigan Lodging and Tourism Association
Microsoft Corporation
Mississippi Association of Realtors
Mitek Electronics & Communications Group
Moat
Mobile Marketing Association
mobileStorm, Inc
MobileWorks
Montana Lodging & Hospitality Association
Motorola Mobility
Mowgli
Moz
MPA – The Association of Magazine Media
National Association of Convenience Stores (NACS)
National Association of Federal Credit Unions
National Association of Home Builders
National Association of Realtors
National Cable & Telecommunications Association
National Council of Chain Restaurants
National Grocers Association
National Restaurant Association
National Retail Federation
Nebraska Hotel & Motel Association
NetApp, Inc.
Nevada Hotel & Lodging Association
New Hampshire Lodging & Restaurant Association
New Jersey Association of Realtors
New Mexico Association of Realtors
New York Association of Relators
New York Hospitality & Tourism Association

Newegg
Newspaper Association of America
Nextdoor
NextWorth Solutions, Inc.
NextWorth Solutions. Inc.
Nitrogram
Nodejitsu Inc.
North Carolina Association of Realtors
North Carolina Restaurant & Lodging Association
North Dakota Association of Realtors
Northern Rhode Island Chamber of Commerce
"NPES The Association for Suppliers of
Printing, Publishing and Converting Technologies"
NTCA–The Rural Broadband Association
Nutritionix
Nvidia Corporation
NVX
NXE/Grand Destiny Group
NYCTM, Inc.
Ohio Association of Realtors
Ohio Hotel & Lodging Association
Oklahoma Hotel & Lodging Association
OOYALA
Openbucks
Options Away
Oracle
Orbitz
Ordr.in
Oregon Association of Realtors
Oregon Restaurant & Lodging Association
Overstock.com
Pacific Sunwear of California, Inc.
PagerDuty
PaneraTech, Inc.
Pennsylvania Restaurant & Lodging Association
People Co
Petametrix Inc.
Phone2Action
PINE (Printing Industries of New England)
PipelineDB
Plant tonics, inc.
Ploonky
Polaroid

Potpourri Group, Inc.
PPI Association
Primolow, Inc.
Print Media Association
Printing & Graphics Association MidAtlantic
Printing and Imaging Association of Georgia
Printing and Imaging Association of MidAmerica
Printing Association of Florida, Inc.
Printing Industries Alliance
Printing Industries Assn. San Diego, Inc.
Printing Industries Association, Inc. of Southern California
Printing Industries of America
Printing Industries of Michigan Inc.
Printing Industries of Ohio - N. Kentucky
Printing Industries of the Gulf Coast
Printing Industries of Utah
Printing Industry Association of the South, Inc.
Printing Industry Midwest
Public Knowledge
Quad/Graphics
Quest Mountain Audio/Video LLC
Quid, Inc.
QVC, Inc.
R Street Institute
Rackspace
Rackup LLC
Rally Software
Red Hat, Inc.
Retail Industry Leaders Association
RethinkDB
Return Path Inc.
Rhode Island Chamber of Commerce Coalition
Rhode Island Hospitality Association
Ron Conway, SV Angels
Safeway Inc.
Sales Performance Management, LLC
salesforce.com
Samsung Electronics America
Santa Clara Chamber of Commerce
SAS
Scoutzie, Inc.
Sea Hawk Systems LLC
SecuGen Corporation

ServInt
Shapeways
Shorewest Realtors--Brookfield, WI
ShuttleCloud Corp.
Silicon Valley Leadership Group
Sirius XM Radio Inc.
Small Business Majority
Smart Solar
Software & Information Industry Association
Sonic Electronix, Inc.
South Carolina Association of Realtors
South Carolina Restaurant & Lodging Association
Specialty Technologies, LLC
Spectra Merchandising International, Inc.
Sprint
Stack Exchange Inc.
Storefront
Sulia, Inc.
Superior Communications, Inc.
Sutro Software
Tabbedout
Table 301 Restaurant Group
TDS Telecommunications Corp
TeamSnap
Tennessee Association of Realtors
Tennessee Hospitality Association
Texas Association of Realtors
Texas Hotel & Lodging Association
The Emob
The Guitammer Company
The Hawai'i Lodging & Tourism Association
The Keys Companies—Real Estate, Weston, FL
The Latino Coalition
The Printing Industry of the Carolinas, Inc.
The Realty Alliance
The Travel Technology Association
The Whistler Group, Inc.
Thomas Hospitality Group
TMSOFT
Tome, Inc.
Tubular Labs
Twitter
United States Telecom Association

US Travel
Utah Credit Union Association
Utah Hotel & Lodging Association
Verizon Communications Inc.
Vermont Chamber of Commerce
Vidmaker
Virginia Hospitality & Travel Association
Visual Media Alliance
Vizio, Inc
Vox International
Waitur Corporation
Wal-Mart
Washington Lodging Association
Waterfall
Weichart Realtors
West Virginia Hospitality & Travel Association
Western States Printing Alliance
Whataburger
White Castle
Wikia
Wildcard (Coopkanics, Inc.)
Wisconsin Association of Realtors
Wisconsin Hotel & Lodging Association
Wyoming Association of Realtors
Wyoming Lodging & Restaurant Association
XO Communications
Yahoo!
Yelp
YouNow Inc.