



## BSA Supports Passage of H.R. 3309 As Reported By the Judiciary Committee

The Innovation Act (HR 3309), as reported by the House Judiciary Committee, represents a solid framework of needed reforms to curb a disturbing rise in predatory patent litigation. BSA strongly urges House Members to support the bill, as reported, when it comes to the House floor. This important measure has been appropriately balanced and structured to make life hard for bad actors that abuse the system and better for America's innovators.

There is near-universal recognition that abusive patent litigation imposes heavy burdens and costs on small businesses and other enterprises across the US economy. Patent litigation abuse is an urgent problem that demands legislative action. But it is important for lawmakers to remember that the problem lies not with the patent system itself, but rather with the predatory litigation practices of aggressive "patent trolls."

- **H.R. 3309, as reported, curbs litigation abuses.** BSA strongly supports core provisions of H.R. 3309 that reduce the financial incentive for bad actors to engage in abusive patent litigation:
  - Permitting fee shifting as a tool to deter abusive practices,
  - Curbing discovery abuse,
  - Making patent cases more efficient by staying discovery until the issues in the case are narrowed, and
  - Requiring patent holders to be precise in their claims of infringement and transparent about patent ownership.
- **Other provisions of H.R. 3309 offer important improvements.**
  - Update the Post-Grant estoppel provision to help clean-up bad patents that should not have been issued.
  - Barring bankruptcy trustees from terminating patent licenses provides assurance for licensees that businesses will not be put at risk by unanticipated bankruptcy proceedings against their licensors.