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**Coalition for Patent Fairness Welcomes Senate Judiciary Committee  
Hearing on The Patent Reform Act of 2007**

*Hearing Showcases the Urgent Need to Strengthen and Rebalance our Patent System*

**WASHINGTON** — The Coalition for Patent Fairness today praised Chairman Patrick Leahy (D-Vt.), Ranking Member Arlen Specter (R-Pa.), Senator Orrin Hatch (R-UT) and all of the Members of the Senate Judiciary Committee for holding today's hearing — "Patent Reform: The Future of American Innovation." — to discuss the urgent need to reform and bring balance to our nation's patent system.

"Today's hearing fully engages the Committee in dealing with the overwhelming need for balanced and comprehensive reform," said Jonathan Yarowsky, counsel to the Coalition for Patent Fairness. "There is a reason patent reform has moved to the top of the legislative agenda in both Houses: it is because the patent system must work efficiently and fairly if American companies are to keep their competitive edge in driving the economy forward."

A broad and diverse cross-section of U.S. businesses, leading legal scholars, economists and policymakers has recognized the need for patent reform. Major studies and reports from the Federal Trade Commission, the National Academy of Sciences and the Council on Foreign Relations have analyzed how imbalances in the current patent system are harming our nation's competitive position in the worldwide economy. Leading legal scholars and economists have spoken out about how urgent the need is for patent reform and opinion-leading publications, including *The Wall Street Journal*, *New York Times* and *The Washington Post*, have editorialized in support of passing patent reform legislation without delay. Moreover, the U.S. Supreme Court recently has found it necessary to review an unusual number of patent-related cases in order to correct — often with unanimous rulings — imbalances in the judicial interpretation of core principles of patent law and procedure. However, only Congress can implement the comprehensive reform needed to restore balance in a number of areas of the patent system. The Patent Reform Act of 2007 will do just that.

"Companies like Palm rely on the patent system to protect its key innovations and its most valuable intellectual property," said Mary Doyle, senior vice president and general counsel for Palm, Inc who testified at today's hearing. "As a company that is both a major patent holder and occasional defendant, we especially support the balanced reforms of the venue, willfulness standard and apportionment of damages called for in S. 1145."

The Coalition for Patent Fairness supports patent reform legislation that:

- **Balance the apportionment of damages.** The standard for calculating damages should be based on the fair share of the patent's contribution to the value of a product, and not on the value of a whole product that has many other components.
- **Establish fair standards for punitive damages.** Awarding punitive, triple damages for "willful" patent infringement should be reserved for cases of the most egregious conduct, as required by the U.S. Supreme Court for virtually all other punitive damages.

- **Restrict forum shopping.** Cases should be brought in courts with some reasonable connection to the case and not, by gaming the system, in courts solely because they historically favor patent claims.
- **Improve patent quality.** The system should promote quality patents by providing a meaningful second chance for the experts at the PTO to review potentially problematic patents in a timely manner, and should promote sharing of information with the PTO to improve the process and increase innovation.

#### **About the Coalition for Patent Fairness**

The Coalition for Patent Fairness is committed to the passage of patent legislation that will foster innovation and economic growth. Representing a broad range of companies and trade associations in the financial services, technology, energy and chemical, manufacturing and media industries, the Coalition's members include Apple, Autodesk, Business Software Alliance, Chevron, Cisco Systems, Comcast, Dell, Electrolux, HP, Information Technology Industry Council, Intel, Micron Technology Inc., Microsoft, Oracle, Palm Inc., RIM, SAP, Symantec, TechNet, Time Warner and Visa. For more information, visit [www.patentfairness.org](http://www.patentfairness.org).

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