



## **Congress Needs to Pass the Patent Reform Act of 2009 to Reinvest in Innovation and Job Creation and to Stop Abuse.**

- 100,000:** The number of high-tech jobs that would be created over five years by enactment of the Patent Reform Act.
- 150,000:** The number of high-tech jobs that will be lost over five years if Congress fails to enact meaningful patent system reform.<sup>1</sup>
- 88:** The percentage of patent claims against tech companies that are asserted by patent trolls or Non-Practicing Entities.
- 70:** The percentage increase in patent lawsuits pending against tech companies over past five years.
- 650:** The percentage increase of licensing fee requests to high-tech companies - usually a precursor to litigation - since 2004.<sup>2</sup>
- \$500 million:** The amount awarded in patent damages in at least five cases over the past 7 years; prior to 1990 there had been only one patent damages award in history larger than \$100 million.<sup>3</sup>
- 16,000:** The number of patents, virtually all in the technology area, held by 24 non-practicing entities, companies that do virtually no research, product development or commercialization, but rather are simply in the business of acquiring patents and monetizing their investment through licensing revenues.<sup>4</sup>
- 9,000:** The number of defendants sued in 2007, nearly double the amount (5,000) from the year 2000.<sup>5</sup>
- \$5.5 million:** The median litigation cost per party in a large portion of patent cases.<sup>6</sup>

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<sup>1</sup> Everett Ehrlich, "Economic Effects of Clarifying the Standard for Assessing 'Reasonable Royalty' Damages Under Patent Law" (March 2009 Preliminary Analysis).

<sup>2</sup> Testimony of Steven R. Appleton before the Senate Judiciary Committee at 4-5 (March 10, 2009).

<sup>3</sup> William O. Kerr & Gauri Prakash-Canjels, *Patent Damages and Royalty Awards: The Convergence of Economics and Law*, in LES NOUVELLES at 83 (June 2003), Search of combined ALM VerdictSearch Jury Verdicts & Settlements database on Westlaw and PricewaterhouseCoopers, "2008 Patent Litigation Study."

<sup>4</sup> See <https://www.patentfreedom.com/research-phl.html>.

<sup>5</sup> See <http://lexmachina.stanford.edu/static/html/Statistics.html>.

<sup>6</sup> American Intellectual Property Law Association, *AIPLA Report of the Economic Survey 2008*.

## Coalition for Patent Fairness Members are Leaders in Innovation.

- 75,000:** The number of patents that are held by Coalition for Patent Fairness member companies.<sup>7</sup>
- 4:** The number of member companies of the Coalition for Patent Fairness that are in the top 10 for organizations granted US patents in 2007. Those companies include: Intel, Microsoft, Micron Technology and Hewlett-Packard.<sup>8</sup>

## The Need for Reforming the Patent and Trademark Office by the Numbers.

- 1.2 million:** The number of unexamined patent applications currently in the USPTO backlog.<sup>9</sup>
- 44:** The number of months it takes to get a patent in the high tech or communications industry.<sup>10</sup>
- 1976:** The year the patent examination rules, including the time allotted per application, were updated even though inventions and patent applications today are far more complex. The information technology system that examiners use is antiquated.<sup>11</sup>
- 1790:** The year George Washington signed the first patent act.
- 3:** The number of patent examiners in 1790.
- 3:** The number of patent applications received AND approved in 1790 for inventions that improved soap-making, candle production, and the milling of flour.
- 7,000:** The number of PTO employees now.
- 460,000:** The number of patent applications those 7000 employees handle each year.<sup>12</sup>

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<sup>7</sup> USPTO Website, <http://www.uspto.gov/> (Department of Commerce).

<sup>8</sup> IP Record, *Top 300 Organizations Granted US Patent in 2007*.

<sup>9</sup> USPTO Website, <http://www.uspto.gov/> (Department of Commerce).

<sup>10</sup> Science Progress, "Patent Reform 101, An Inefficient System Slows the Innovation Economy," available at <http://www.scienceprogress.org/2009/01/patent-reform-101/>.

<sup>11</sup> Weiss, "Tackling the Challenge of Patent Reform," available at <http://www.scienceprogress.org/2009/01/tackling-the-challenge-of-patent-reform/>.

<sup>12</sup> Weiss, The 'patent pending' problem, *The Boston Globe*, February 9, 2009.