



November 18, 2013

The Honorable Robert W. Goodlatte  
Chairman, House Judiciary Committee  
2138 Rayburn House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

On behalf of BSA | The Software Alliance, I write to express strong support for your Chairman's Mark to the Innovation Act (H.R. 3309). A number of important improvements have been made to the bill since its introduction, including striking a proposed expansion of the Transitional Program for Covered Business Method Patents. With these changes, the bill will succeed in curbing abusive patent litigation while preserving critical incentives to innovate.

There is near-universal recognition that abusive patent litigation creates a heavy burden for companies across the US economy — slowing innovation, undermining competitiveness and stunting economic growth. It is an urgent problem that demands legislative action. But it is important for lawmakers to remember that the issue is not the patent system itself; it is the predatory litigation practices commonly used by patent assertion entities known as “trolls.” Legislation should be structured to make life hard for bad actors and better for innovators.

BSA strongly supports key measures in H.R. 3309 that reduce the financial incentive for bad actors to engage in abusive patent litigation — measures such as fee shifting, curbing discovery abuse, making patent cases more efficient, and requiring patent holders to be precise in their claims of infringement and transparent about their ownership structures. There are only a few areas where we believe the bill would benefit from further refinement, such as ensuring that the provision to protect innocent customers against frivolous infringement claims, which we support, works as intended in practice. And with respect to changes to well-established PTO practices, all relevant factors should be considered.

We look forward to working with you and Members of the Committee on these matters as the legislative process moves forward.

The Innovation Act, as now structured, represents a solid framework for needed reform. We strongly urge Members of the Judiciary Committee to support the Chairman's Mark when it is brought before the Committee for a vote.

Sincerely,