

From: Erika Hibler
Sent: Thursday, April 04, 2013 12:33 PM
To: SoftwareRoundtable2013
Subject: Concerns Over Patent Assertion Entities



Good afternoon,

On behalf of the Texas Hotel and Lodging Association, we are writing to express our support for updated patent litigation laws aimed at addressing frivolous lawsuits from companies know as Patent Assertion Entities (PAEs).

The business model of a PAE is simple: they purchase patents with the sole intention to sue businesses for infringement. PAEs will often target small businesses including hotels and virtually every type of business entity. They continue by sending a demand letter to those companies that they allege are infringing on a particular patent. They will then threaten the business with a lawsuit that will cost millions of dollars to defend but are also quick to offer a smaller settlement amount. The threat of and defense from such lawsuits can cripple a small business and negatively affect every aspect of the day to day operations of companies.

We believe Congress, the FTC, and other government agencies need to take measures to protect businesses in Texas and across the country from unreasonable and intentionally frivolous lawsuits of this nature.

Thank you.

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