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The 21C Commends Chairman Terry for Introducing the "Targeting Rogue and Opaque Letters Act of 2014"

The Coalition for 21st Century Patent Reform ("21C") supports the efforts by Representative Lee Terry, Chair of the Commerce, Manufacturing, and Trade Subcommittee of the House Energy and Commerce Committee, to move forward with legislation to address the pattern or practice of sending false or deceptive patent demand letters. Such letters, designed to intimidate or coerce recipients who lack the expertise or resources to investigate or defend against such bad faith assertions of patent infringement into extortionist settlements, have no place in a well-functioning patent system. Legislation targeting abusive demand letters is urgently needed and will address one of the most pressing problems that currently exists in connection with patent enforcement practices.

The 21C strongly supports finding a fair and effective solution to put a stop to such bad faith demand letters. The Targeting Rogue and Opaque Letters Act of 2014 (TROL Act) is a welcome step in that direction, and the 21C urges that it be favorably reported by the Commerce, Manufacturing, and Trade Subcommittee. As the legislation then moves to the full Committee and through the legislative process, the 21C looks forward to working to improve the language to clarify the definition of "bad faith" in order to make it more effective in targeting bad behavior while safeguarding legitimate patent licensing and enforcement communications. Overall, however, the bill does address the most pressing problems by establishing exclusive standards on a nationwide basis to apply in all 50 states.

We thank Chairman Terry, the members of the House Energy and Commerce Committee, their staffs, and other stakeholders for their hard work to find a balanced and effective solution to the problem of abusive demand letters. The 21C looks forward to the approval of this critical legislation by the Subcommittee and pledges to work with Chairman Terry and the members of the House Energy and Commerce Committee to further improve the legislation as it moves through the legislative process.

The Coalition has approximately 50 members from 18 diverse industry sectors and includes many of the nation's leading manufacturers and researchers. The coalition's steering committee includes 3M, Caterpillar, General Electric, Johnson & Johnson, Eli Lilly and Procter & Gamble. Visit <u>http://www.patentsmatter.com</u> for more information.