HIGHER EDUCATION ASSOCIATION STATEMENT ON FEDERAL TRADE COMMISSION'S PATENT ASSERTION ENTITY ACTIVITY STUDY

October 11, 2016

We appreciate the contribution the Federal Trade Commission's (FTC) <u>Patent Assertion Entity Activity</u> study makes to the national conversation about ways to support and improve our patent system. The study, which sensibly attempts to draw distinctions among the widely varied business models of actors in the patent system, supports our long-held position that any efforts to reduce abusive litigation practices must be narrowly tailored to address the small minority of patent holders that are abusing the system.

Overbroad patent reforms would substantially raise the costs and risks associated with patenting and good faith patent enforcement, compromising universities' ability to move their innovative research discoveries into the marketplace for the benefit and well-being of the public. University technology transfer, which depends on a robust patent system, provides a rich return on both public and private funding for fundamental research in the form of countless innovative products and services that today benefit the public, create jobs, and contribute to U.S. economic competitiveness and global technological leadership.

This study demonstrates that any changes to the patent system must be supported by empirical evidence and not founded on anecdotes and inflammatory rhetoric. Accordingly, we hope that it prompts future discussion and analyses that will help us achieve our shared goals of curbing patent assertion abuse while preserving the balance and health of our patent system.