July 9, 2014

The Honorable Lee R. Terry
Chairman
Commerce, Manufacturing, and Trade Subcommittee
Energy and Commerce Committee
United States House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515-6115

The Honorable Janice D. Schakowsky
Ranking Member
Commerce, Manufacturing, and Trade Subcommittee
Energy and Commerce Committee
United States House of Representatives
2322A Rayburn House Office Building
Washington, DC 20515-6115

Re: The Targeting Rogue and Opaque Letters Act

Dear Chairman Terry and Ranking Member Schakowsky:

I am writing on behalf of the American Intellectual Property Law Association (AIPLA) to give our perspective on the Targeting Rogue and Opaque Letters Act. The draft legislation takes a directed approach to address the sending of abusive and bad faith patent demand letters, clarifying that such activity may violate the Federal Trade Commission (FTC) Act. AIPLA appreciates the Subcommittee’s interest and hard work in this area, and we support moving the draft bill forward at this time.

AIPLA is a national bar association with approximately 15,000 members who are lawyers in both private and corporate practice, judges, patent agents, academics, law students and patent and trademark office professionals. Our members practice in a wide and diverse spectrum of intellectual property fields, including patent, trademark, copyright, and unfair competition law, as well as other areas of law affecting intellectual property. They represent both owners and users of intellectual property, as well as those who litigate and prosecute before patent and trademark offices, giving AIPLA a unique and varied perspective on patent procurement, licensing and litigation practices.

The approach in the draft bill is consistent with AIPLA’s position that a number of the most troubling and visible abusive practices driving some of the current patent reform debate may be appropriately dealt with under the laws governing consumer fraud and deceptive trade practices. Providing FTC oversight with respect to these abusive practices as described in the bill will deal with the abusive behavior itself, and hopefully ameliorate its negative impact on the patent system as a whole.
AIPLA has emphasized that any action in this area needs to strike a balance between addressing the fraudulent activity while not inhibiting free speech or legitimate patent licensing and enforcement. AIPLA believes the approach of this draft bill moves significantly towards such a balance; it appears in the main crafted to give the FTC appropriate guidance for enforcing the FTC Act in this area while preserving the traditional rights of patent owners.

AIPLA supports consideration of the draft bill at this time, and we look forward to working with the Subcommittee on the legislation as the process moves forward.

Respectfully Submitted,

Wayne P. Sobon
President
American Intellectual Property Law Association