

SIA Statement on the Innovation Act (HR 3309)

December 5, 2013

The Semiconductor Industry Association (SIA) supports congressional action to address abusive patent litigation. Abusive conduct in patent litigation undermines innovation by redirecting research expenditures and other resources to litigation expenses, and needlessly raises litigation costs. We support legislation to restore balance to our patent system and strengthen the rules governing the resolution of patent disputes.

SIA supports the principles contained in the Innovation Act (HR 3309), such as fee shifting in appropriate cases, heightened pleading requirements, limiting discovery, and greater transparency in patent ownership. We believe that reforms in these areas will help reduce abusive litigation practices and restore balance to the patent system. In addition, we appreciate the removal from earlier versions of the bill the provision on the covered business method (CBM) program, which would have resulted in discriminatory treatment of software patents that are vital to the semiconductor industry and other industries.

SIA agrees with the need for the adoption of balanced reforms to reduce abusive patent litigation, and as proposed legislation is considered, we look forward to working with the House and Senate to improve on the specific language to ensure that it strengthens our patent system and avoids unintended adverse consequences for the protection of patent rights and the resolution of patent disputes.