



NATIONAL
ASSOCIATION of
REALTORS®

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November 19, 2013

U.S. House of Representatives
Committee on the Judiciary

Re: Support HR 3309—Scheduled for Mark Up this Week

Dear Representative,

On behalf of the more than one million members of the NATIONAL ASSOCIATION OF REALTORS® (NAR), we urge you to support HR 3309, “the Innovation Act”, scheduled for mark up in the Judiciary Committee this week. We view the reforms in this bill as an important step in protecting innovators and main street businesses from broad claims of patent infringement based on patents of questionable validity all brought by non-practicing entities.

NAR, whose members identify themselves as REALTORS®, represents a wide variety of real estate industry professionals. REALTORS® have been early adopters of technology and are industry innovators who understand that consumers today are seeking real estate information and services that are fast, convenient and comprehensive. Increasingly, technology innovations are driving the delivery of real estate services and the future of REALTORS® businesses.

As technology users, NAR and several of its members recently faced onerous patent infringement litigation over questionable patents dealing with location based search capabilities. These suits were brought by patent holding companies and other non-practicing entities. They were eventually settled in a multi-million dollar settlement. In addition, our broker and agent members are increasingly dealing with demand letters to license commonly used technologies like scanner- copiers and online alert functions. Our members know firsthand that “patent trolls” divert significant time and money from their businesses.

The Innovation Act will bring needed reforms to address the troll problem by increasing transparency, and pleading specificity among other things. Taken together, the reforms in the Innovation Act will shift the burden of frivolous litigation from small business defendants to the trolls themselves.

Without needed reforms that assure that asserted patent rights are legitimate and frivolous litigation schemes are curtailed, the ability of businesses owned by REALTORS®, many of which are small businesses, to grow, innovate and better serve modern consumers will be put at risk. NAR supports the reforms in the Innovation Act as a way to rebalance a patent system that is increasingly a target of uncertainty and abuse.

We thank you for your consideration of our views and urge your support for this important legislation.

Sincerely,

Steve Brown
2014 President, National Association of REALTORS®

