



**BRAD LITTLE**  
**LIEUTENANT GOVERNOR**

## **Press Release**

FOR IMMEDIATE RELEASE  
March 18, 2014

CONTACT: Gregory S. Wilson  
(208) 334-2200

### **LT. GOVERNOR BRAD LITTLE AND REP. LUKE MALEK SPONSOR BILL TO CURB PATENT TROLLS**

**(Boise)**— On Monday, March 17, 2014, the Idaho House passed a bill to protect entrepreneurs, individual innovators, and businesses across Idaho from bad faith assertions of patent infringement. This legislation is another affirmative indicator of Idaho being a preferred home for innovators, both small and large. This bill passed the Senate earlier this month with a vote of 33-2, and now heads to Governor Otter for his signature.

This legislation was drafted by Micron Technology and attorneys specializing in patent protection and litigation at Parsons Behle & Latimer. The bill aims at curbing the practice of aggressive patent assertion entities— whose behavior has led to the nickname “patent trolls”— from sending threatening demand letters with vague and often frivolous allegations of patent infringement.

Idaho businesses, small and large, have received what are known as “demand letters” from entities claiming they are entitled to exorbitant licensing fees for many different business products, including common business equipment, such as scanners, ATM machines, and free WiFi for their customers. These letters often demand immediate payment to the patent owner— for example, at the rate of \$1,000 per employee— and threaten litigation should the target of the letter not comply with the demand for payment.

This bill provides for a private right of action for a business or individual, as well as potential action by the attorney general, should this practice of threatening behavior rise to the level of bad faith under Idaho’s Consumer Protection Act.

Idaho Lieutenant Governor Brad Little is a natural fit to sponsor this legislation because of his work on economic development and job creation throughout Idaho. SB1354 is the first legislation he has personally sponsored in the Senate as Lieutenant Governor. “Idaho continues to lead the country in innovation, in terms of patents per capita, and our state’s technology sector continues to develop,” said Lieutenant Governor Little. “Innovation is a critical component of growth. Ensuring state law helps protect individuals and businesses from frivolous patent lawsuits is important to Idaho’s economic future.”

Representative Luke Malek, who is also a lawyer, sponsored the bill in the Idaho House.

###