

# The Patent Troll Problem



## BY THE NUMBERS

Patent trolls, or Patent Assertion Entities (PAEs), acquire patents to be used solely to file lawsuits against other companies.

### A BIG PROBLEM THAT'S ONLY GETTING BIGGER



**500%**



growth in patent troll lawsuits in the past 10 years.

**84%**



of all high-tech patent lawsuits filed annually are filed by patent trolls.



### UNDENIABLY FRIVOLOUS

Patent trolls know that defending a lawsuit is expensive. They typically will sue companies they know will settle rather than risk a trial.



**<1%**

of all defendants in PAE suits are ultimately found to have infringed a valid patent.



...But the cost of defense is so high that nearly **80%** of defendants choose to settle before trial.



### YOUR COMPANY IS A TARGET

It doesn't matter what you make or sell – PAEs will target any operating company if they think there's a chance to make money.



**50%+**



of all companies that have been a defendant in PAE litigation had less than **\$10 million** in annual revenue.



More than **10,000**

companies have been sued at least once by a PAE (in more than 14,000 litigations against more than 33,000 defendants).



### THEY CAN LITERALLY BANKRUPT YOU...

For small companies, these PAE lawsuits can be lethal.



**\$80 BILLION**

patent trolls drain a year from the U.S. economy.



**\$3.3 MILLION**

the average cost of defending a patent troll lawsuit.



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