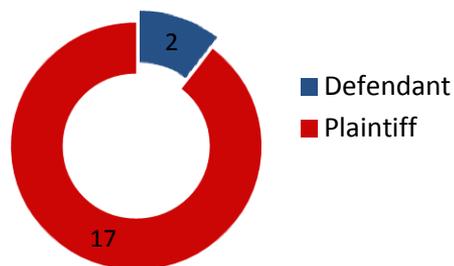


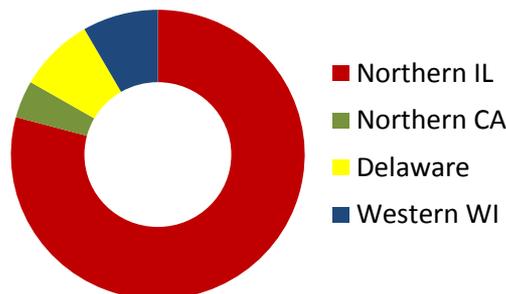
Quarterly Troll Review™

Troll of the Quarter: **Innovatio IP Ventures, LLC**

Cases by Type



Cases by District



Patents

Number

6665536	7710907
6374311	7710935
6046992	7558557
5940771	7552246
5844893	7548553
5740366	7535921
5673031	7536167
5546397	7483397
5504746	7457646
5428636	7386002
5295154	7107052
7916747	7013138
7917145	6826165
7873343	6714559
7856003	6697415
7826818	

The low-down: In early 2011, 31 patents pertaining to wireless routers (listed in the box to the right) were assigned to Innovatio by Broadcom. Subsequently, they began their shakedown approach by sending demand letters to thousands of establishments with wi-fi routers, including local Mom & Pop coffee shops. Innovatio knows those people can't pay for litigation and don't understand things like [FRAND](#) and [patent exhaustion](#), but they pursued them anyway. That's what makes them a troll. Cisco systems, makers of routers that allegedly infringed, stepped in and tried to fend off the attacks on their customers. Just recently, Cisco settled with Innovatio for 3.2 cents per unit. While not a full-on victory to invalidate the patents or dismiss the suits altogether, it certainly cut into Innovatio's profits. Keep a watch though, these guys will strike again!

Disclaimer: All opinions and ideas in this newsletter are mine. Information contained herein is not advice, and should not be treated as such.

IPTT's Quarterly Troll Review™

Industry Trends: In a word, “legislation”. While I remain unconvinced that federal involvement is the way to go here, it speaks to the legitimacy of the problem that Capital Hill is choosing to get involved. The [Goodlatte Bill](#) made it past the House, so we’ll have to see what the Senate does now. Overall, it looks like actual patent troll litigation is trending down at the start of 2014. Good news! New York took a serious bite out of MPHJ by forcing them to repay licensing money from companies that it went after there. These are the “Scanner Dudes” who are a serious blight, even by patent troll standards.

Following up on thoughts in the Q413 QTR, I found [this article](#) from King & Spalding about patent trolls targeting oil and gas. Salient point is this: “Clearly, NPEs target U.S. or multinational companies where jurisdiction is easily established and *significant resources are available to pay settlements.*” This is the patent troll M.O. of yesteryear: sue deep pockets. Who has deeper pockets than Big Oil?

Deep Pockets and the Small App Developer: There will always be trolls who go after the big payoff (see above), and large operating co’s will continue to fight one another. But trolls will ramp up going after the small developers. They don’t have deep pockets, but there are a ton of them. Make it up on volume! The small dev may not have millions but he’s probably got a rich Aunt Gertrude who’ll loan him \$25,000 for a license to prevent a full-blown lawsuit. That’s why it’s so important to provide tools for the little guy to use when the trolls come calling. Demand letter repositories like [That Patent Tool](#) are meant to be a clearing house for such letters, searchable so that recipients can learn and figure out how to fight back. Small devs are going to have to do *something* because the attacks are not likely to stop anytime soon.

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