

February 14, 2014 CONTACT: Michael Gay (503) 986-1950 (503) 781-8559

Senate puts "patent trolls" on notice

Salem, OR - The State Senate unanimously passed a bill to crack down on "patent trolls" who try to extort money out of small Oregon businesses. Senate Bill 1540, which is part of the Senate Republican legislative agenda, now goes to the House of Representatives for consideration.

"We want to help and protect the small businesses who fuel our local economies," said Senator Jackie Winters (R-Salem). "I remember that the daily pressure and anxiety of running a small business are a burden that never goes away. Hopefully this bill can in a small way give small businesses a little bit of relief."

Patent trolls are companies that purchase patents and intimidate thousands of individuals and small businesses with the threat of a lawsuit. The aim is to extort cash from companies or individuals in order to make the threat of litigation go away.

Just last week, a patent troll sent letters to construction businesses across Oregon demanding a \$150 licensing fee for the normal process of using fans to reduce moisture at a construction site. Although some businesses ignore such shakedowns, others choose to pay up because it is cheaper than hiring an attorney to evaluate the claim. This burden on our small businesses creates an unnecessary drag on Oregon's economy and discourages job creation.

Senate Bill 1540 would make patent trolling a violation of the Oregon's Unlawful Trade Practices Act. The bill would also allow those who have been targeted by a patent troll to sue for attorneys' fees.

Winters is a retired small business owner and has served in the state legislature since 1998, when she was elected to the House of Representatives. She was elected to the Senate in 2002.

Jackie has lived in Salem for 43 years.