Limited Public PAE Information

- Most current information about PAEs is either anecdotal or comes from studies of publicly observed litigation activity.
  - Litigation may be a fraction of overall PAE activity.
- Little systematic public information describing:
  - PAEs corporate structure.
  - Payments made by PAEs to earlier patent holders.
  - Assertion strategies of PAEs.
FTC 6(b) Study

- FTC has the ability to collect non-public information to conduct studies in the public interest.

- Two Components of study
  - Detailed examination of the PAE industry
    - Obtain quantitative and qualitative data from 25 PAEs
  - Industry Case Study
    - Compare how PAE assertion behavior differs from other patent holders in the wireless chipset industry.
    - Sent information requests to 15 NPEs and manufacturers.

Example Questions the primary study is designed to address

- What is a PAE?
  - How are PAEs organized?
  - How do PAEs acquire patents?
  - How are licensing revenues shared with previous patent owners?
  - What types of patents are asserted by PAEs?
    - Old, Standard Essential?

- How do PAEs vary?
  - Assertion strategies?
  - Corporate Structure?
Industry Case Study

- Are PAEs more aggressive than other patent holders in asserting IP?
  - Lower discovery costs
  - Not subject to countersuit
- Compare PAE assertion activity to manufacturers and NPE in same industry
  - Are PAEs more likely to litigate to generate license agreements?
  - How do PAE license agreements compare to NPE and manufacturer license agreements?