

Via electronic submission

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue N.W.
Suite CC-5610 (Annex D)
Washington, DC 20580

December 8, 2014

Re: MPHJ Technology Investments, LLC, et al— Consent Agreement; File No. 142 3003

Intellectual Ventures appreciates the opportunity to comment on the proposed agreement containing a consent order from MPHJ Technology Investments, LLC; Jay Mac Rust; and Farney Daniels, P.C. (collectively “Respondents”).

Intellectual Ventures supports the key provisions in Section I of the proposed consent order prohibiting misleading or unsubstantiated representations in patent assertion communications. In particular, we can think of no legitimate reason why a patent owner would make false or unsubstantiated representations that a patent has been licensed in substantial numbers, at particular prices, or within particular price ranges (see § I.A). Likewise, in our view, patent owners should not make false or unsubstantiated representations about the licenses for a patent or the responses of recipients of patent assertion communications (see § I.B). Furthermore, patent owners who falsely state that they have initiated a lawsuit advance no legitimate interest of the patent system of which we are aware (see § I.C). Finally, we believe that patent owners should not threaten to initiate a lawsuit unless they are actually prepared to do so (see § I.D).

While at the same time prohibiting unfair and deceptive conduct as outlined above, the Commission, in its analysis of the proposed consent order, correctly recognizes “the right of a patentholder to seek licensing fees through truthful representations or non-deceptive conduct.” In view of this legitimate right, as well as public policy favoring settlement of private disputes, the Commission should not, and the consent order apparently does not, discourage patent owners from first attempting, in good faith, to resolve infringement disputes outside of court before burdening the judiciary with private disputes.

More information about Intellectual Ventures can be found at <http://www.intellectualventures.com/about>. For a list of the majority of Intellectual Ventures’ patent asset portfolio, please see <http://patents.intven.com/finder>. For legal updates, including infringement complaints filed by Intellectual Ventures, please see <http://www.intellectualventures.com/news/legal-updates>.

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