



FTC Hearing on the Evolving IP Marketplace

December 5, 2008

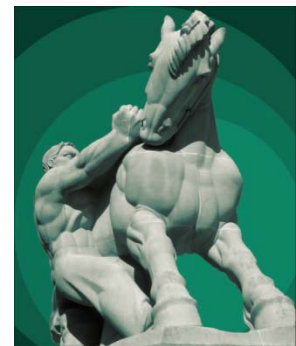


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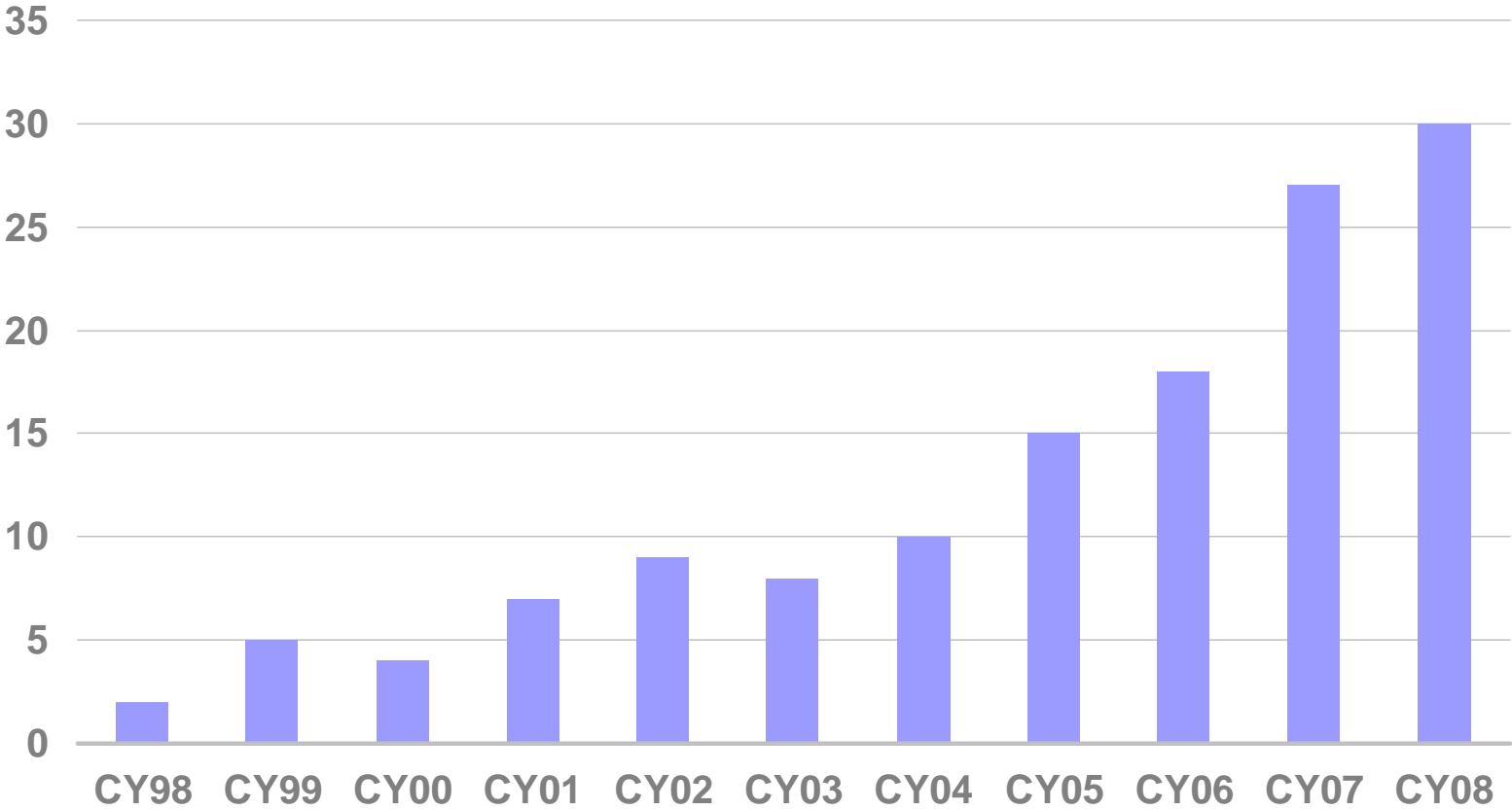
Warning about the proliferation of patents, the FTC noted:

“[Innovators and manufacturers] may have to choose between the risk of being sued for infringement after they sink costs into invention or production, or dropping innovative or productive efforts altogether. Either option can injure economic welfare.”

Source: Federal Trade Commission, “To Promote Innovation: The Proper Balance of Competition and Patent Law and Policy,” at Ch. 2, p. 28 (October 2003).



Patent Lawsuits Pending Each Year Against Cisco



- Counted in a particular year if any part of case was pending during that year.
- Includes cases filed directly or indirectly against Cisco, including via customer indemnity.
- If multiple cases by same plaintiff pending in same year but cases have been consolidated by court or through MDL process, then counted as one case.



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