

[Billing Code: 6750-01S]

FEDERAL TRADE COMMISSION

Agency Information Collection Activities;

Submission for OMB Review; Comment Request

AGENCY: Federal Trade Commission (“FTC” or “Commission”).

ACTION: Notice; request for comments.

SUMMARY: The FTC proposes to collect information about Patent Assertion Entity (“PAE”) organization, structure, economic relationships, and activity, including acquisition, assertion, litigation, and licensing practices. This is the second of two Federal Register Notices required by the Paperwork Reduction Act (“PRA”). Last year, the FTC published a Federal Register Notice (“First Notice”) and received public comments on its proposal. Through this Second Notice, the Commission seeks additional public comments on, and Office of Management and Budget (“OMB”) review and approval of, the revised proposed collection of information discussed in this Notice.

DATES: Comments must be received on or before [insert date 30 days from the date of publication in the FEDERAL REGISTER].

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment sub-section of the SUPPLEMENTARY

INFORMATION section below. Write “PAE Reports: Paperwork Comment; Project No.

P131203” on your comment, and file your comment online at

<https://ftcpublic.commentworks.com/ftc/paestudypra2>, by following the instructions on the web-

based form. If you prefer to file your comment on paper, mail your comment to the following

address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, NW,

Suite CC-5610, (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street, SW, 5th Floor, Suite 5610, (Annex J), Washington, D.C. 20024.

Comments on the proposed collection of information should also be submitted to OMB. If sent by U.S. mail, they should be addressed to Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for the Federal Trade Commission, New Executive Office Building, Docket Library, Room 10102, 725 17th Street, NW, Washington, D.C. 20503. Comments sent to OMB by U.S. postal mail, however, are subject to delays due to heightened security precautions. Thus, comments instead should be sent by facsimile to (202) 395-5167.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be addressed to Suzanne Munck, Chief Counsel for Intellectual Property and Deputy Director, Office of Policy Planning, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington DC, 20580; (202) 326-2429; paestudy@ftc.gov.

SUPPLEMENTARY INFORMATION: The proposed collection of information is necessary to study the likely competitive effects of PAE activity. PAEs are firms with a business model based primarily on purchasing patents and then attempting to generate revenue by litigating against, or licensing to, persons who are already practicing the patented technology. Currently, the public record of PAE activity focuses on publicly-available litigation data. Litigation, however, is only part of the picture. PAE activity encompasses a wide range of non-public behavior related to acquisition and licensing practices, together with structural issues related to organization and economic relationships. Data analyzing this behavior is not available through the public record and it is not available from a single private source.

Members of Congress support the FTC's proposed study. Urging the Commission, "to address the abusive practices of patent assertion entities (PAEs) that are a drag on innovation, competition, and our economy," Senator Klobuchar "appreciate[s] Chairwoman Ramirez's intention to ask the full Commission to commence a study under Section 6(b) of the Federal Trade Commission (FTC Act)." Representative Lipinski "strongly urge[s] the FTC to follow through with [a Section 6(b) study of PAE activity]," and Representative Murphy "looks forward to reviewing the results of [the FTC's] inquiry."

PAE activity is a growing issue for the United States. For example, last June, the Executive Office of the President reported that "suits brought by PAEs have tripled in just the last two years, rising from 29 percent of all infringement suits to 62 percent of all infringement suits," and this activity may have "a negative impact on innovation and economic growth." In February of this year, the President renewed his call for legislation to combat abusive PAE practices, and several bills are pending in Congress addressing reforms directed toward PAE activity.

The Commission has studied PAE activity for several years, and its research points to the need for an empirical record addressing non-public PAE activity. The Commission first discussed the rise of the PAE business model in its 2011 Report, "The Evolving IP Marketplace: Aligning Patent Notice and Remedies with Competition." In that report, the Commission defined a PAE as a firm with a business model focused primarily on purchasing and asserting patents, typically against operating companies with products currently on the market. On December 10, 2012, the Commission and the Antitrust Division of the United States Department

of Justice (DOJ) jointly sponsored a workshop to explore the claimed harms and efficiencies of PAE activity, and the impact of PAE activity on innovation and competition more broadly.

Workshop panelists and commenters associated with the 2011 Report and the 2012 workshop provided anecdotal evidence of potential harms and efficiencies of PAE activity. These participants stressed the lack of comprehensive empirical evidence, and urged the Federal Trade Commission use its Section 6(b) to collect information on PAE acquisition, litigation, and licensing practices. Respondents to the Commission's first Federal Register Notice announcing the study likewise stressed the need for Commission research in this area.

The Government Accountability Office (GAO) has also recognized deficiencies in the existing record of non-public PAE activity. As part of the America Invents Act, Congress directed GAO to study the costs, benefits, and economic impact of PAE litigation, and to make policy recommendations. GAO issued its report on August 22, 2013. It found that over the period 2007 to 2011, the share of all patent lawsuits accounted for by PAEs rose from 17 percent to 24 percent, and that suits by PAEs included about twice as many defendants as suits by manufacturing companies. GAO, however, emphasized several data deficiencies that limited its ability to examine the issues identified by Congress. First, although it reported that patent assertions frequently do not result in litigation, GAO could not obtain reliable data on such assertions. Second, GAO could not collect information on litigation costs from court records or the sample data, nor obtain information on the settlements that resolve most cases.

Responding to these requests, and recognizing its own role in competition policy and advocacy, the Commission proposes a Section 6(b) study that will provide a better understanding of the organizational structure and economic relationships of PAEs, as well as their activity and

associated costs and benefits. The Commission will use the study to publish a report describing non-public PAE activity that would otherwise not be available.

I. Public Comments/Consultation Outside the Agency and Actions Taken

On October 3, 2013, the FTC published the First Notice soliciting public comments on this study of PAE activity. The FTC received 70 public comments from a wide range of parties including individuals, firms, and trade associations. The majority of commenters expressed support for the goals of the FTC's study and recognized that the data necessary to understand the scope and economic implications of PAE activity is not currently available. Consistent with the December 2012 workshop comments, some respondents focused on the possible harms of PAE activity, whereas others focused on the possible efficiencies of PAE models.

Many commenters stated that that the benefits of the study would outweigh the costs to subjects of compliance. Commenters, however, did not agree on the precise financial burden the study would impose. Some stated that the FTC's initial burden estimates were accurate, whereas others suggested that the estimates were too low. The FTC has addressed these comments in its revised estimates of financial burden.

Some commenters expressed confusion regarding the questions directed to PAEs and the questions directed to manufacturers and NPEs. The FTC clarifies that the study will consist of two parts. The primary focus of the study consists of a descriptive examination of the PAE business model. The second part is a narrowly focused comparative case study of PAE activity in the wireless communications sector. Consequently, the FTC separated the questions addressed to PAEs from the questions addressed to manufacturers and NPEs.

In the original information requests, the Commission requested production of all documents in many categories, such as a PAE's internal patent valuations, assertion strategy

documents, communications with targets of assertion, and analyses of patent portfolios. Several commenters suggested that an “all documents” request would result in voluminous and duplicative information. In response, the revised requests focus on agreements and on strategic documents provided to officers and directors or shared with persons outside the firm.

The original requests also required subjects to identify patents subject to commitments such as licensing and standard-setting declarations. Commenters suggested that these requests may be unduly burdensome when the firm has made commitments on a field of use or subject matter basis – without identifying specific patent numbers. Commenters also suggested that the original requests may require respondents to conduct legal research to determine whether specific patents are subject to broad commitments. To address these comments, the FTC will ask respondents to describe the commitments as they have been declared to standard-setting organizations and third parties.

In response to additional comments addressing burden, the FTC has modified some of the defined terms and refined the information requests to more accurately target information that is most likely to be important for the study. The FTC also has revised the date range of the information requests from the period beginning January 1, 2008 to the period beginning January 1, 2009.

Finally, the Commission worked with the United States Patent and Trademark Office (USPTO) to collect USPTO’s publicly available data. Wherever practical, to reduce respondents’ burden, the FTC will not ask for responses that are publicly available through the USPTO.

II. Description of the Collection of Information and Proposed Use

The proposed study will add significantly to the existing literature and evidence about PAE form, structure, organization, and behavior. Earlier studies have focused primarily on

publicly-available litigation data and concluded that PAE litigation activity is on the rise. The Commission, however, has unique Congressional authority to collect nonpublic information, such as licensing agreements, patent acquisition information, and cost and revenue data, that will provide a more complete picture of PAE activity.

Because the Commission believes a more detailed study will enhance the quality of the policy debate surrounding PAE activity, it proposes information requests directed to answering the following questions:

- How do PAEs organize their corporate legal structure, including parents, subsidiaries, and affiliates?
- What types of patents do PAEs hold and how do they organize their holdings?
- How do PAEs acquire patents; who are the prior patent owners; and how do they compensate prior patent owners?
- How do PAEs engage in assertion activity (i.e., how do they behave with respect to demands, litigation, and licensing)?
- What does assertion activity cost PAEs?
- What do PAEs earn through assertion activity? and
- How does PAE patent assertion behavior compare to that of other entities that assert patents?

The FTC's study will consist of two parts. The primary focus of the study consists of a broad descriptive examination of the PAE business model. The second part is a narrowly focused

comparative case study of patent assertion activity in the wireless communications sector. The information requests for each part are identified below.

For the broad analysis, the FTC proposes sending information requests to approximately 25 PAEs that use different organizational models and assertion strategies. For instance, the proposed requests seek information on the composition of PAE portfolios (information such as the age and field of patents); whether any patents are essential to any standards or encumbered by other licensing obligations; the costs of acquiring patents, as well as whether the PAEs share an economic interest in their portfolios with other entities. The requests also seek information about assertion activity, such as licensing and litigation activity, and the costs from assertion.

The second part of the study compares how PAEs, manufacturing firms and NPEs assert intellectual property in the wireless communications sector. For example, the FTC seeks to explore whether the potential for countersuit against manufacturing firms changes their respective assertion behavior relative to PAE firms. While some commenters suggested expanding the scope of the comparative case study, the FTC proposes limiting that case study to the wireless communications sector because that sector is relatively well-defined with a significant amount of assertion activity by PAEs, manufacturing firms, and NPEs. This limitation also permits the FTC to achieve its goal of performing a comparative analysis of assertion behavior without imposing an undue burden on study subjects. The FTC proposes sending information requests to approximately 15 manufacturing firms and NPEs asserting patents in this sector.

Definitions and Instructions

The following definitions and instructions apply to all Information Requests:

“**Acquire**” and “**Acquisition**” mean to purchase or obtain from another Person any Legal Right to a Patent, or to purchase or obtain a Person who Holds any Legal Right to a Patent. This definition does not include the assignment of Legal Rights to a Patent by a Firm employee who is bound to assign his or her Legal Rights to the Firm at the time of invention.

“**Assert**” and “**Assertion**” mean: (i) any Demand; (ii) any civil action threatened or commenced (by the Firm or other Person) relating to any Patent; or (iii) any investigation pursuant to 19 U.S.C. 1337 threatened or initiated (by the Firm or other Person) relating to any Patent. For Manufacturing Firms, “**Assert**” and “**Asserted**” do not include sales of products manufactured by the Firm, or on behalf of the Firm, that practice the claimed invention.

“**Class**” and “**Subclass**” have the meanings defined by the United States Patent and Trademark Office (USPTO).

“**Demand**” means any effort since January 1, 2009 to License any Patent, in whole or in part, and any other attempt to generate revenue by authorizing a Person outside the Firm to practice an invention claimed in a Patent. Demand does not include complaints or pleadings filed with a United States District Court or the United States International Trade Commission.

“**Documents**” means all electronically stored information, and written, recorded, and graphic materials of every kind in the possession, custody, or control of the Firm. Unless otherwise specified, the term “**Documents**” excludes: (i) bills of lading, invoices, purchase orders, customs declarations, and other similar documents of a purely transactional nature; (ii) architectural plans

and engineering blueprints; and (iii) documents solely relating to environmental, human resources, OSHA, or ERISA compliance.

“**Economic Interest**” means any right or claim to current or future revenues derived from a Patent, including, but not limited to: lump-sum payments; royalties; access to other Patent(s) as part of a cross-Licensing agreement; a debt or equity interest in a Person that Asserts Patents; use of the Firm’s Legal Rights to any Patent as collateral for a Person’s loan or investment; or any other form of compensation relating to the Assertion, Acquisition, or Transfer of Patents Held by the Firm. “**Economic Interest**” does not include shareholders of publicly traded Firms that own less than 5% of the outstanding shares of any class of stock in the Firm.

“**Firm**” means the Person served with the information requests described in this notice.

“**Hold**” and “**Held**” mean to possess a Legal Right to a Patent.

“**Legal Right**” means any ownership interest in, an exclusive License to, or other rights adequate to License or enforce a Patent.

“**Litigation**” means any civil action commenced in a United States District Court or with the United States International Trade Commission.

“**License**” means authorization by the Patent holder to practice the claimed invention, including, but not limited to, a covenant not to sue and a covenant not to assert.

“**Maintenance Fee(s)**” has the meaning defined by the USPTO.

“**Patent**” means a United States patent or United States patent application as defined by 35 U.S.C. 101, *et seq.*

“**Patent Portfolio**” means a collection of patents Held by the Firm, including all of the patents Held by the Firm and any sub-groups into which the Firm organizes its patents.

“Person” means any natural person, corporation, association, firm, partnership, joint venture, trust, estate, agency, department, bureau, governmental, judicial, or legal entity, however organized or established.

“Reference Number” means a Bates number or other sequential identification number.

“Report” means all studies, analyses, and reports which were prepared by or for any officer(s) or director(s) of a corporate entity (or, in the case of unincorporated entities, individuals exercising similar functions) or presented to any Person outside the Firm (including, but not limited to, investment presentations and documents filed with the United States Internal Revenue Service or Securities and Exchange Commission).

“Standard Setting Organization” or **“SSO”** means any organization, group, joint venture, or consortium that develop standards for the design, performance, or other characteristics of products or technologies.

“Transfer” means the sale or exchange of any Legal Right to a Patent, including for monetary or other consideration or for no compensation.

“Wireless Chipset” means any baseband processor, radio frequency transceiver, integrated circuit, chip, or chipset, or any combination thereof, and any related software, used to implement wireless communication.

“Wireless Communications Device” means any device, including wireless chipsets, which implements wireless communication, including, but not limited to, software, user equipment, base stations, and network infrastructure.

“Wireless Patent” means any Patent Asserted against a Wireless Communication Device.

The Information Requests sent to Respondents will also have procedural instructions, not included here.

Information Requests Directed to Approximately 25 PAE Firms:

The FTC will have PAE Firms respond to the following Information Requests:

A. Identification of Report Author: Identify by full name, title, business address, telephone number, email address, and official capacity the Person(s) who prepared or supervised the preparation of the Firm's response to the Information Requests.

B. Firm Information

1. State the Firm's complete legal name and all other names under which it has done business since January 1, 2009, its corporate mailing address, all addresses and websites from which it does or has done business since January 1, 2009, and the date(s) and state(s) of its incorporation.
2. Describe the Firm's business and corporate structure; provide an organizational chart stating the names of all parents, wholly or partially owned subsidiaries, incorporated or unincorporated divisions, affiliates, branches, joint ventures, franchises, operations under assumed names, websites, or other Person(s) over which the Firm exercises or has exercised supervision or control since January 1, 2009. When responding to these Information Requests, separately provide all information for the Firm and each related Person(s) identified in response to Request B2.
3. Has more than one Person identified in response to Request B2 engaged in Assertions against the same Person? (Y/N) If yes, name the Person(s) identified in response to

Request B2 that made the Assertions, name the Person subject to the Assertions, state the date of each Assertion; and identify the Patent(s) related to each Assertion.

4. Identify each Person(s) with a contractual or other legal right or obligation to a share of revenues, profits, costs or other Economic Interest in the Firm. For each such Person, describe the Person's relationship with the Firm, including their percentage of ownership, control, or other legal entitlement to a share of revenues, profits or financial performance of the Firm and, if relevant, their positions and responsibilities within the Firm.

C. Patent Information

1. For each Patent Held by the Firm since January 1, 2009
 - a. State the Person within the Firm who Holds the Patent, *e.g.* if the Patent is Held by a Firm subsidiary, state the subsidiary.
 - b. State the Patent number.
 - c. State the Patent's priority date.
 - d. State the application to which the Patent claims earliest priority.
 - e. Does the Patent expire either 17 years from the date of issuance, if the Patent was filed before June 7, 1995, or 20 years from the priority date, if the Patent was filed after June 7, 1995? (Y/N) If no:
 - (1) state the Patent's expiration date; and

(2) produce, and provide a narrative response that identifies by Reference Number, Documents sufficient to demonstrate the Patent's expiration date.

f. Has the Patent been subject to review by the Patent and Trademark Office since January 1, 2009? (Y/N) If yes:

(1) provide the docket number for each review.

g. Do(es) any Person(s) outside the Firm Hold any Legal Rights to the Patent? (Y/N) If yes:

(1) identify the Person(s) who Hold(s) any Legal Rights to the Patent;

(2) for each Person identified above, provide a narrative response that identifies and describes the Legal Rights Held; and

(3) produce, and provide a narrative response that identifies by Reference Number, all agreements relating to the Legal Rights Held.

h. Do(es) any Person(s) outside the Firm Hold an Economic Interest in the Patent? (Y/N) If yes:

(1) identify the Person(s) who Hold(s) any Economic Interest in the Patent;

(2) for each Person identified above, provide a narrative response that identifies and describes the Economic Interest Held; and

(3) produce, and provide a narrative response that identifies by Reference Number, all agreements relating to the Economic Interest Held.

i. Does the Firm have an exclusive License to the Patent? (Y/N) If yes:

(1) produce, and provide a narrative response that identifies by Reference Number, the agreement(s) providing the exclusive License;

(2) produce, and provide a narrative response that identifies by Reference Number, all Reports that evaluate or analyze the Firm's reasons for entering into the exclusive License;

(3) if the exclusive License is limited by geography, list the geographic restrictions; and

(4) if the exclusive License is limited by field of use:

(a) state the specific field of use restriction; and

(b) identify, from the following list, in which sector(s) is the field of use restriction: Chemical, Computers & Communications, Drugs & Medical, Semiconductors, Other Electrical & Electronic, Mechanical, or Other.

j. Has the Firm Asserted the Patent? (Y/N) If yes:

(1) state whether the patent is a Wireless Patent; and

(2) identify, from the following list, in which sector(s) the Patent was Asserted: Chemical, Computers & Communications, Drugs & Medical, Semiconductors, Other Electrical & Electronic, Mechanical, or Other.

k. Has the Firm included the Patent in any Demand? (Y/N)

- l. Has the Firm brought Litigation involving the Patent? (Y/N)
- m. Has the Firm Licensed the Patent to any Person(s)? (Y/N)
- n. Has the Firm, or any other Person, assigned a value to the Patent? (Y/N) If yes:
 - (1) state the date of the most recent valuation;
 - (2) state the amount of the most recent valuation;
 - (3) provide a narrative response identifying, by date and amount, all prior valuations by, or on behalf of, the Firm; and
 - (4) produce, and provide a narrative response that identifies by Reference Number, all related Reports.
- o. State the number of known Assignments of the Patent before the Patent was Acquired by the Firm. As part of your response do not include the assignment of Legal Rights to a Patent by a Firm employee who is bound to assign Legal Rights to the Firm at the time of invention.
- p. Provide a narrative response identifying all Person(s) to whom the Patent was assigned before the Firm Acquired the Patent and the date(s) of each assignment.
- q. State whether the Patent was Asserted in Litigation before the Firm Acquired the Patent. (Y/N) If yes:
 - (1) state the number of times the Patent was Asserted in Litigation before the Firm Acquired the Patent;

(2) produce, and provide a narrative response that identifies by Reference Number, all agreements relating to the Litigation, including License, settlement, and non-disclosure agreements; and

(3) for each Litigation provide a narrative response:

(a) identifying the Person(s) who Asserted the Patent;

(b) identifying the jurisdiction and docket number of each Litigation;

(c) identifying all claims that were found infringed, valid, and enforceable;

(d) stating whether an injunction or exclusion order issued; and

(e) stating the amount of any damages awarded.

2. To the extent not otherwise identified in response to the Information Requests, if the Firm has entered into any agreement since January 1, 2009 relating to any Economic Interest or Legal Right to any Patent Held by the Firm, for each agreement

a. Submit the agreement, and provide a narrative response that identifies it by Reference Number; and

b. Submit all Reports that evaluate or analyze the reasons for entering into the agreement, and provide a narrative response that identifies the Reference Number(s) of the Reports.

D. Standard Setting Commitments

1. If any Person has committed to a Standard Setting Organization that it will License any Patent(s) Held by the Firm since January 1, 2009, for each commitment
 - a. State the date the commitment was made.
 - b. Identify the Person who made the commitment.
 - c. Identify the Standard Setting Organization.
 - d. Identify the standard(s) to which the commitment applies.
 - e. Provide a narrative response identifying any Wireless Patents held by the Firm that are subject to the commitment.
 - f. State whether the commitment is to License the Patent(s) or any Patent claim(s) on reasonable and non-discriminatory (RAND); fair, reasonable, and non-discriminatory (FRAND); royalty-free (RF); or other terms.
 - (1) if the commitment is to License on terms other than RAND, FRAND, or RF, provide a narrative response describing the terms.
 - g. Is the commitment subject to a field of use restriction? (Y/N) If yes:
 - (1) state the specific field of use restriction(s); and
 - (2) identify, from the following list, in which sector(s) is the field of use restriction: Chemical, Computers & Communications, Drugs & Medical, Semiconductors, Other Electrical & Electronic, Mechanical, or Other.

- h. Provide a narrative response listing all Patent(s) that any Person has declared, or otherwise identified to any Person, as subject to the commitment.
- i. Produce, and provide a narrative response identifying by Reference Number, all agreements embodying the commitment.

E. Patent Portfolio Information

1. For each Patent Portfolio Held by the Firm since January 1, 2009

- a. Has the Firm organized the Portfolio by field of use? (Y/N) If yes:
 - (1) state the specific field of use; and
 - (2) identify, from the following list, in which sector(s) is the field of use:
Chemical, Computers & Communications, Drugs & Medical,
Semiconductors, Other Electrical & Electronic, Mechanical, or Other.
- b. Does the Firm identify the Patent(s) included in the Patent Portfolio? (Y/N) If yes:
 - (1) provide a narrative response stating the numbers of the Patents included in the Patent Portfolio.
- c. Has the Firm assigned a value to the Patent Portfolio? (Y/N) If yes:
 - (1) state the date of the most recent valuation;
 - (2) state the amount of the most recent valuation;
 - (3) provide a narrative response identifying, by date and amount, all prior valuations by, or on behalf of, the Firm; and

(4) produce, and provide a narrative response identifying by Reference Number, all related Reports.

- d. Produce, and provide a narrative response identifying by Reference Number, all Reports that evaluate how the Firm organizes and names the Portfolio and the Firm's reasons or business strategy for organizing the Patent Portfolio and for allocating specific Patent(s) into any identified Patent Portfolio.
- e. To the extent not identified above, provide a narrative response describing how the Firm organizes and names the Portfolio.

F. Patent Acquisition Information

1. For each transaction in which the Firm Acquired Patent(s) since January 1, 2009

- a. State the date of the transaction.
- b. State the Person who Acquired the Patent(s).
- c. State the Person(s) from whom the Patent(s) were Acquired.

(1) did the Firm Acquire the Patent(s) from a named inventor of the Patent? (Y/N)

(2) did the Firm Acquire the Patent(s) from an employer of the named inventor? (Y/N)

(3) did the Firm Acquire the Patent from a Person that the Firm identifies as a Patent Assertion Entity? (Y/N)

- d. State the total number of Patents Acquired in this transaction.
- e. Did the Firm Acquire any Wireless Patent(s) in this transaction? (Y/N)

f. For each Patent Acquired in the transaction:

(1) state the Patent Number.

(2) did the Firm assign the Patent in connection with this transaction?

(Y/N) If yes:

(a) was the assignment recorded with the United States Patent and Trademark Office? (Y/N)

(3) did the Firm obtain an exclusive License to the Patent in connection with the transaction? (Y/N)

(4) did the Firm License the Patent back to its previous owner? (Y/N)

g. Did the Firm assume existing License obligations for the Patent(s)? (Y/N) If yes:

(1) state the total number of License obligations assumed;

(2) state the total revenue obtained by the Firm as a result of assuming existing License obligations to the date of this request; and

(3) state the total revenue expected to be obtained by the Firm in the future as a result of assuming existing License obligations.

h. Did the Firm Acquire the Patent(s) in connection with any proceeding before a United States Bankruptcy Court? (Y/N) If yes:

(1) state the jurisdiction; and

(2) state the docket number.

i. For each Person receiving payment as a result of this transaction:

(1) state the Person to whom the payment was made.

(a) was the Person a named inventor of a Patent included in the transaction? (Y/N)

(b) was the Person an employer of a named inventor of a Patent included in the transaction? (Y/N)

(c) was the Patent(s) Acquired from the Person? (Y/N)

(2) did the Firm make a lump-sum payment(s), *i.e.* a payment not directly affected by the Firm's future revenue or unit sales, to this Person to Acquire the Patents? (Y/N) If yes:

(a) state the total amount of the lump-sum payment(s) made;

(b) state the total amount of the lump-sum payment(s) expected to be made in the future;

(c) if any agreement defines the lump-sum payment terms, produce, and provide a narrative response identifying by Reference Number, the agreement; and

(d) provide a narrative response describing the method for calculating the payment.

(3) did the Firm pay, or is the Firm expecting to pay, an on-going payment, *i.e.*, a payment that is directly affected by either the Firm's

future revenue or unit sales, to this Person to Acquire the Patent(s)?

(Y/N) If yes:

- (a) state the total amount paid in on-going payments, by calendar year, to the date of this Request;
- (b) state the total amount from on-going payments expected to be made in the future derived from the Patents Acquired;
- (c) if any agreement defines the payment terms, produce, and provide a narrative response identifying by Reference Number, the agreement; and
- (d) provide a narrative response describing the method for calculating the past and future ongoing payment(s).

j. Does the Acquisition involve a cross-License? (Y/N) If yes:

(1) state the date of the cross-License agreement.

(2) has the Firm assigned a value to the cross-License? (Y/N) If yes:

- (a) state the date of the most recent valuation;
- (b) state the amount of the most recent valuation;
- (c) provide a narrative response identifying , by date and amount, all prior valuations by, or on behalf of, the Firm; and
- (d) produce, and provide a narrative response identifying by Reference Number, all related Reports.

(3) produce, and provide a narrative response identifying by Reference Number, the cross-License; and

(4) produce, and provide a narrative response identifying by Reference Number, all related Reports.

k. Did any Person outside the Firm financially contribute to the Acquisition?

(Y/N) If yes:

(1) state the Person(s) who contributed to the Acquisition;

(2) state the total amount contributed by other Person(s) to the Acquisition;

(3) state the total amount expected to be contributed by other Person(s) in the future as a result of the Acquisition;

(4) produce, and provide a narrative response identifying by Reference Number, all related agreements;

(5) produce, and provide a narrative response identifying by Reference Number, all related Reports; and

(6) for each Person identified, provide a narrative response stating each Person's financial contribution, the method for calculating this amount, and each Person's Legal Right to the Patent(s).

l. Do(es) any Person(s) outside the Firm Hold any Legal Rights to any of the Patents Acquired in this transaction? (Y/N) If yes:

- (1) state the Person(s) who Holds any Legal Rights to any Acquired Patents;
 - (2) produce, and provide a narrative response identifying by Reference Number, all related agreements;
 - (3) produce, and provide a narrative response identifying by Reference Number, all related Reports; and
 - (4) for each Person identified, provide a narrative response identifying each Person's Legal Rights, and the Patent(s) to which the Person Holds each Legal Right.
 - m. Produce, and provide a narrative response identifying by Reference Number, all Reports related to the Acquisition.
 - n. Produce, and provide a narrative response identifying by Reference Number, all agreements related to the Acquisition.
2. To the extent not identified in these Information Requests, produce, and provide a narrative response identifying by Reference Number, all agreements between the Firm and any Person executed since January 1, 2009 relating to any Acquisition by the Firm of any Legal Right to a Patent
- a. for any such agreement produced, also produce, and provide a narrative response identifying by Reference Number, all Reports that (i) evaluate or analyze the reasons for entering into the agreement or (ii) evaluate or analyze the calculation of any payment relating to the Acquisition.

G. Patent Transfer Information

1. For each transaction in which the Firm Transferred Patent(s) since January 1, 2009
 - a. State the date of the transaction.
 - b. State the Person(s) who Transferred the Patent(s).
 - c. State the Person(s) to whom the Patent(s) were Transferred.
 - (1) did the Firm Transfer the Patent(s) to a Person that the Firm identifies as a Patent Assertion Entity? (Y/N)
 - d. State the total number of Patent(s) Transferred in the transaction.
 - e. Did the Firm transfer any Wireless Patent(s) in this transaction? (Y/N)
 - f. For each Patent Transferred in the transaction:
 - (1) state the Patent number.
 - (2) did the Firm assign the Patent in connection with the transaction?
(Y/N) If yes:
 - (a) was the assignment recorded with the United States Patent and Trademark Office? (Y/N)
 - (3) did the Firm grant an exclusive License to the Patent(s) in connection with the transaction? (Y/N)
 - g. Did the Firm transfer existing License obligations to the Patent(s)? (Y/N) If yes:
 - (1) state the total number of License obligations transferred; and

(2) state the total revenue received by the Firm from these Licenses.

h. Did the Firm Transfer the Patent(s) in connection with any proceeding before a United States Bankruptcy Court? (Y/N) If yes:

(1) state the jurisdiction; and

(2) state the docket number.

i. Was the Firm paid a lump-sum payment(s), *i.e.* a payment not directly affected by the transferee's future revenue or unit sales, to Transfer the Patent(s)? (Y/N) If yes, for each Person making payments to the Firm:

(1) state the Person from whom the payment(s) was received;

(2) state the total amount of the lump-sum payment(s) received;

(3) state the total amount of the lump-sum payment(s) expected to be received in the future;

(4) if any agreement(s) define(s) the payment terms, produce, and provide a narrative response identifying by Reference Number, the agreement(s); and

(5) provide a narrative response describing the method for calculating the payment(s).

j. Did the Firm receive, or is it receiving, an on-going payment, *i.e.*, a payment that is directly affected by either the transferee's future revenue or unit sales, from the Person(s) receiving the Patent(s)? (Y/N) If yes, for each Person making payments to the Firm:

- (1) state the Person(s) from whom the payment(s) are received;
- (2) state the total amount of the on-going payments received from this Person(s), by calendar year, made to the date of this Request;
- (3) state the total amount of on-going payments expected to be received in the future;
- (4) if any agreement(s) define(s) the payment terms, produce, and provide a narrative response identifying by Reference Number, the agreement(s); and
- (5) provide a narrative response describing the method for calculating the on-going payment(s).

k. Does the Transfer involve a cross-License? (Y/N) If yes:

- (1) state the date of the cross-License agreement;
- (2) has the Firm assigned a value to the cross-License? (Y/N) If yes:
 - (a) state the date of the most recent valuation;
 - (b) state the amount of the most recent valuation;
 - (c) provide a narrative response identifying, by date and amount,, all prior valuations by, or on behalf of, the Firm; and
 - (d) produce, and provide a narrative response identifying by Reference Number, all related Reports.

(3) produce, and provide a narrative response identifying by Reference Number, the cross-License; and

(4) produce, and provide a narrative response identifying by Reference Number, all related Reports.

1. Did any Person outside the Firm share in the proceeds from the Transfer?

(Y/N) If yes:

(1) state the Person(s) who shared in the proceeds from the Transfer;

(2) state the total amount shared with other Person(s) to the date of this Request;

(3) state the total amount expected to be shared with other Person(s) in the future;

(4) produce, and provide a narrative response identifying by Reference Number, all related agreements;

(5) produce, and provide a narrative response identifying by Reference Number, all related Reports; and

(6) for each Person identified, provide a narrative response stating the amount shared with each Person, the amount expected to be shared in the future, and the method for calculating this amount.

m. Produce, and provide a narrative response identifying by Reference Number, all Reports related to the Transfer.

- n. Produce, and provide a narrative response identifying by Reference Number, all agreements related to the Transfer.
2. To the extent not identified in these Information Requests, produce, and provide a narrative response identifying by Reference Number, all agreements between the Firm and any Person executed since January 1, 2009 relating to any Transfer by the Firm of any Legal Right to a Patent
 - a. For any such agreement produced, also produce, and provide a narrative response identifying by Reference Number, all Reports that (i) evaluate or analyze the reasons for entering into the agreement or (ii) evaluate or analyze the calculation of any payment relating to the Acquisition.

H. Patent Assertion Information

1. Demand Information: For each Demand made by, or on behalf of, the Firm since January 1, 2009
 - a. State the date of the Demand.
 - b. State the Person(s) who made the Demand, *e.g.* the Firm or one of its related Person(s).
 - c. State the Person(s) to whom the Demand was made.
 - d. State the Patent(s) that formed the basis of the Demand.
 - e. Did the Demand relate to a Wireless Patent? (Y/N)

- f. Identify, from the following list, in which sector(s) the Demand was made:
Chemical, Computers & Communications, Drugs & Medical,
Semiconductors, Other Electrical & Electronic, Mechanical, or Other.
 - g. Was the Demand limited to geographic area(s)? (Y/N) If yes:
 - (1) identify the geographic area(s).
 - h. State all accused product(s) relating to the Demand.
 - i. Produce, and provide a narrative response identifying by Reference Number, a copy of each Demand Document and all appendices, including, but not limited to, claim charts, and all Reports related to the Demand.
2. Litigation Information: For each Litigation commenced since January 1, 2009 relating to a Patent Held by the Firm, or a Patent in which the Firm has an Economic Interest, separately for each Person (collectively including its parents, subsidiaries, and affiliates) named as a defendant (if the Firm is a plaintiff) or as a declaratory judgment plaintiff (if the Firm is a defendant)
- a. State the jurisdiction in which the Litigation was commenced.
 - b. State the docket number of the Litigation.
 - c. State the date the Litigation was commenced.
 - d. State all plaintiffs named or otherwise joined in the Litigation.
 - e. State the defendant (including parents, subsidiaries, and affiliates) named or otherwise joined in the Litigation.
 - f. State all Patents Asserted.

- g. Was any Patent Asserted a Wireless Patent? (Y/N)
- h. Identify, from the following list, in which sector(s) the Patents were asserted:
Chemical, Computers & Communications, Drugs & Medical,
Semiconductors, Other Electrical & Electronic, Mechanical, or Other.
- i. Produce, and provide a narrative response identifying by Reference Number, all orders relating to all dispositive motions.
- j. Produce, and provide a narrative response identifying by Reference Number, all expert reports exchanged during Litigation that offer an opinion related to the valuation of the Patent(s) or damages relating to the Litigation.
- k. Is the Litigation pending? (Y/N) If no:
 - (1) state the date of termination.
 - (2) state whether the Litigation terminated upon successful dispositive motion, jury verdict, judgment following trial on the merits, appeal, settlement, or other (if other, explain).
 - (3) provide a narrative response identifying all Patent claims found infringed, valid, and enforceable.
 - (4) did a permanent injunction, exclusion order, or cease and desist order issue? (Y/N)
 - (5) did the court award damages? (Y/N) If yes:
 - (a) state the amount awarded; and
 - (b) state the amount actually paid to the prevailing party.

(6) did the court award fees pursuant to 35 U.S.C. 285? (Y/N) If yes:

(a) state the fees awarded; and

(b) state the amount actually paid to the prevailing party.

(7) did the court issue sanctions pursuant to Rule 11 of the Federal Rules of Civil Procedure? (Y/N)

(8) did the Litigation terminate upon exhaustion of appellate process? (Y/N)

1. Did the Litigation settle? (Y/N) If yes:

(1) did the settlement result in a License agreement? (Y/N) If yes:

(a) state the date of the License agreement;

(b) state the Licensee; and

(c) state the Licensor.

(2) when was settlement reached: after the complaint was filed; after a successful dispositive motion, after a jury verdict, after judgment following trial on the merits, after appeal, or other (if other, explain)?

(3) did the Court issue an order construing any claim(s) of the Patent(s) Asserted before settlement was reached? (Y/N) If yes:

(a) produce, and provide a narrative response identifying by Reference Number, the order.

(4) state the total revenue the Firm has received under the terms of the settlement agreement from January 1, 2009 to the date of this Request.

Do not report revenue reported for any License identified in response to H.3 below.

- (a) was any part of this revenue received as a lump-sum payment, *i.e.* a payment not directly affected by the defendant's future revenue or unit sales? (Y/N) If yes:
- (1) state the total revenue the Firm has received to the date of this request in lump-sum payments; and
 - (2) state the total revenue the Firm expects to receive in the future in lump-sum payments.
- (b) was any part of this revenue received as an on-going payment, *i.e.*, a payment that is directly affected by either the defendant's future revenue or unit sales? (Y/N) If yes:
- (1) state the total revenue the Firm has received to the date of this request in on-going payments; and
 - (2) state the total revenue the Firm expects to receive in the future as on-going payments.
- (c) is this revenue shared with anyone outside the Firm? (Y/N)
- If yes:
- (1) state the total amount shared outside the Firm.
 - (2) if the revenue is part of an ongoing payment, state the total amount the Firm expects to share in the future.

(3) is any revenue shared pursuant to a contingency fee or risk-sharing agreement? (Y/N) If yes:

(A) state the total amount shared pursuant to a contingency fee or risk-sharing agreement;

(B) state the Person(s) outside the Firm who is party to the agreement; and

(C) provide a narrative response stating the amount the Firm shared with each Person, the amount the Firm expects to share in the future, and describing the method for calculating this amount.

(4) state all Person(s) with whom this revenue is shared.

(A) are any of these Person(s) the named inventor of any Patent Asserted in the Litigation? (Y/N)

(B) are any of these Person(s) the employer of the named inventor of any Patent Asserted in the Litigation? (Y/N)

(5) produce, and provide a narrative response identifying by Reference Number, all revenue sharing agreements.

(6) provide a narrative response stating the amount shared with each Person and describing the method for calculating this amount.

m. State the Firm's total expenses relating to the Litigation from January 1, 2009 to the date of this Request.

(1) are these expenses shared with any Person(s) outside the Firm? (Y/N)

If yes:

(a) state the total amount of expenses shared outside the Firm;

(b) identify all Person(s) with whom expenses are shared;

(c) produce, and provide a narrative response identifying by Reference Number, all expense sharing agreements;

(d) produce, and provide a narrative response identifying by Reference Number, all Reports related to all expense sharing agreements; and

(e) provide a narrative response stating the amount shared with each Person and describing the method for calculating this amount.

n. State all projected revenues relating to the Litigation from the date of this Request.

(1) provide a narrative response describing the method for calculating the projected revenue, *e.g.* as a fraction of revenue or a fee per unit sold.

- o. To the extent not identified above, produce, and provide a narrative response identifying by Reference Number, all agreements related to the Litigation and produce, and provide a narrative response identifying by Reference Number, all Reports related to the Litigation.
3. License Information: For each License executed since January 1, 2009 relating to a Patent Held by the Firm or a Patent in which the Firm has an Economic Interest
- a. Who is the Licensor(s)?
 - b. Who is the Licensee(s)?
 - c. Identify all Patent(s) Licensed.
 - d. What is the effective date of the License agreement?
 - e. Does the License relate to a Patent Held by the Firm? (Y/N)
 - f. Does the License relate to a Wireless Patent Held by the Firm? (Y/N)
 - g. Does the License relate to a Patent in which the Firm has an Economic Interest? (Y/N)
 - h. Does the License relate to a Wireless Patent in which the Firm has an Economic Interest? (Y/N)
 - i. For each Litigation related to the License:
 - (1) state the jurisdiction in which the Litigation was commenced.
 - (2) state the docket number of the Litigation.
 - j. Does the License contain a field of use restriction? (Y/N) If yes:

(1) state the specific field of use restriction ; and

(2) identify, from the following list, in which sector(s) is the field of use restriction: Chemical, Computers & Communications, Drugs & Medical, Semiconductors, Other Electrical & Electronic, Mechanical, or Other.

k. Does the License contain a geographic restriction? (Y/N) If yes:

(1) identify the geographic restriction(s).

l. State the duration of the License agreement?

m. State the Licensed products or services.

n. Does the License include any cross-License? (Y/N) If yes:

(1) has the Firm assigned a value to the cross-License? (Y/N) If yes:

(a) state the date of the most recent valuation; and

(b) state the amount of the most recent valuation; and

(c) provide a narrative response identifying by date and amount all prior valuations by, or on behalf of, the Firm; and

(d) produce, and provide a narrative response identifying by Reference Number, all related Reports.

(2) produce, and provide a narrative response identifying by Reference Number, the cross-License.

(3) provide a narrative response identifying the number of Patents cross-Licensed, as well as whether the cross-License is exclusive, whether there are any geographic limitations to the cross-License, whether there are any field of use limitations to the cross-License, and whether the field of use restriction is in the following sectors: Chemical, Computers & Communications, Drugs & Medical, Semiconductors, Other Electrical & Electronic, Mechanical, or Other.

o. State the total revenue the Firm has received under the terms of the License from January 1, 2009 to the date of this Request.

(1) was any part of this revenue received as a lump-sum payment, *i.e.* a payment not directly affected by the defendant's future revenue or unit sales? (Y/N) If yes:

(a) state the total revenue the Firm has received to the date of this request in lump-sum payments.

(2) was any part of this revenue received as an on-going payment, *i.e.*, a payment that is directly affected by either the defendant's future revenue or unit sales? (Y/N) If yes:

(a) state the total revenue the Firm has received to the date of this request in on-going payments.

(3) is this revenue shared with anyone outside the Firm? (Y/N) If yes:

(a) state the total amount shared outside the Firm.

(b) if the revenue is part of an ongoing payment, state the total amount the Firm expects to share in the future.

(c) state all Person(s) with whom this revenue is shared.

(1) are any of these Person(s) the named inventor of any of the Licensed Patents? (Y/N)

(2) are any of these Person(s) the employer of the named inventor of any of the Licensed Patents?
(Y/N)

(d) produce, and provide a narrative response identifying by Reference Number, all revenue sharing agreements.

(e) provide a narrative response stating the amount the Firm shared with each Person and the amount the Firm expects to share in the future and describing the method for calculating this amount.

p. State the Firm's total expenses relating to the License agreement from January 1, 2009 to the date of this Request.

(1) are these expenses shared with any Person(s) outside the Firm? (Y/N)

If yes:

(a) state the total amount of expenses shared outside the Firm;

(b) identify all Person(s) with whom expenses are shared;

- (c) produce, and provide a narrative response identifying by Reference Number, all expense sharing agreements;
 - (d) produce, and provide a narrative response identifying by Reference Number, all Reports related to all expense sharing agreements; and
 - (e) provide a narrative response stating the amount of expenses shared with each Person and describing the method for calculating this amount.
 - q. State all projected revenues relating to the License from the date of this Request.
 - (1) provide a narrative response describing the method for calculating the projected revenue, *e.g.* as a fraction of revenue or a fee per unit sold.
 - r. Produce, and provide a narrative response identifying by Reference Number, all Reports related to the License.
 - s. Produce, and provide a narrative response identifying by Reference Number, all agreements related to the License.
4. To the extent not identified above, produce, and provide a narrative response identifying by Reference Number, all agreements related to any Assertion relating to a Patent Held by the Firm, or a Patent in which the Firm has an Economic Interest and produce, and provide a narrative response identifying by Reference Number, all related Reports

I. Aggregate Cost Information

1. Separately, for each year since January 1, 2009

a. State the total cost to the Firm relating to all Acquisitions identified in response to Request F.

(1) did the Firm share Acquisition costs with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom these costs are shared;

(b) state the total amount paid by Person(s) outside the Firm;

and

(c) state the total amount paid by the Firm.

b. State the total cost to the Firm relating to all Litigations identified in response to Request H.2.

(1) did the Firm share Litigation costs with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom these costs are shared;

(b) state the total amount paid by Person(s) outside the Firm;

and

(c) state the total amount paid by the Firm.

c. State the total cost to the Firm relating to all Licenses identified in response to Request H.3.

(1) did the Firm share License costs with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom these costs are shared;

(b) state the total amount paid by Person(s) outside the Firm;

and

(c) state the total amount paid by the Firm.

2. For all forecasted costs expected to be paid after the date of this Request

- a. State the total cost expected to be paid by the Firm relating to all Acquisitions identified in Request F.
- b. State the total cost expected to be paid by all other Person(s) outside the Firm relating to all Acquisitions identified in Request F.
- c. State the total cost expected to be paid by the Firm relating to all Litigations identified in Request H.2.
- d. State the total cost expected to be paid by all other Person(s) outside the Firm relating to all Litigations identified in Request H.2.
- e. State the total cost expected to be paid by the Firm relating to all License Agreements identified in Request H.3.
- f. State the total cost expected to be paid by all other Person(s) outside with the Firm relating to all License Agreements identified in Request H.3.

- g. Produce, and provide a narrative response identifying by Reference Number, all Reports related to all forecasted costs identified in response to this Request.

- 3. Since January 1, 2009, has the Firm engaged in any research and development related to the Patents identified in Request C? (Y/N) If yes:
 - a. What is the total cost of the Firms' research and development activity?
 - b. Produce, and provide a narrative response identifying by Reference Number, Documents sufficient to show the total cost of the Firms' research and development activity.

- 4. Produce, and provide a narrative response identifying by Reference Number, Documents sufficient to show all costs and payments identified in response to Request I

- 5. Has the Firm made any payment related to the Acquisition of any Patent by any Person not otherwise identified in response to these Requests? (Y/N) If yes:
 - a. State the Person(s) to whom the payments were made;
 - b. State the total amount paid;
 - c. State the total amount expected to be paid in the future; and
 - d. For each Person who received payments from the Firm, provide a narrative response identifying the amount paid, identifying the amount expected to be paid in the future, and describing the Acquisition.

J. Aggregate Revenue Information

1. Separately, for each year since January 1, 2009

a. State the total revenue received by the Firm relating to all Transfers identified in response to Request G.

(1) did the Firm share Transfer revenue with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom this revenue is shared;

(b) state the amount of revenue shared with Person(s) outside the Firm; and

(c) state the amount retained by the Firm.

b. State the total revenue received by the Firm relating to all Litigations identified in response to Request H.2.

(1) did the Firm share Litigation revenue with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom this revenue is shared;

(b) state the total revenue shared with Person(s) outside the Firm; and

(c) state the amount retained by the Firm.

c. State the total revenue received by the Firm relating to all Licenses identified in response to Request H.3.

(1) did the Firm share License revenue with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom this revenue is shared;

(b) state the total revenue shared with Person(s) outside the Firm; and

(c) state the amount retained by the Firm.

2. For all forecasted revenues expected to be received by the Firm after the date of this Request

a. State the total revenue expected to be received by the Firm relating to all Transfers identified in Request G.

b. State the total revenue expected to be received by all other Person(s) outside the Firm relating to all Transfers identified in Request G.

c. State the total revenue expected to be received by the Firm relating to all Litigations identified in Request H.

d. State the total revenue expected to be received by all other Person(s) outside the Firm relating to all Litigations identified in Request H.2.

e. State the total revenue expected to be received by the Firm relating to all License Agreements identified in Request H.3.

f. State the total revenue expected to be received by all other Person(s) outside the Firm relating to all License Agreements identified in Request H.3.

3. Produce, and provide a narrative response identifying by Reference Number, Documents sufficient to show all revenue identified in response to Request J
4. Produce, and provide a narrative response identifying by Reference Number, all Reports related to all forecasted revenues identified in response to Request J
5. Has the Firm received any revenue, either directly or indirectly, from the Assertion of any Patent by any Person not otherwise identified in response these requests? (Y/N) If yes:
 - a. State the Person(s) who paid this revenue to the Firm;
 - b. State the total amount of revenue received;
 - c. State the total amount of revenue expected to be received in the future; and
 - d. For each Person who paid this revenue to the Firm, provide a narrative response identifying the amount paid, identifying the amount expected to be paid in the future, and describing the Assertion.
6. Has the Firm received any revenue, either directly or indirectly, from the Acquisition of any Patent by any Person not otherwise identified in response these requests? (Y/N) If yes:
 - a. State the Person(s) who paid this revenue to the Firm;
 - b. State the total amount of revenue received;
 - c. State the total amount of revenue expected to be received in the future; and

- d. For each Person who paid this revenue to the Firm, provide a narrative response identifying the amount paid, identifying the amount expected to be paid in the future, and describing the Acquisition.
7. Has the Firm received any revenue, either directly or indirectly, from the Transfer of any Patent by any Person not otherwise identified in response these requests? (Y/N) If yes:
 - a. State the Person(s) who paid this revenue to the Firm;
 - b. State the total amount of revenue received;
 - c. State the total amount of revenue expected to be received in the future; and
 - d. For each Person who paid this revenue to the Firm, provide a narrative response identifying the amount paid, identifying the amount expected to be paid in the future, and describing the Transfer.

Information Requests Directed to Approximately 15 Manufacturing Firms and NPEs

Asserting Patents in the Wireless Sector:

The FTC will have Manufacturing Firms and NPEs respond to the following information requests:

- K. Identification of Report Author:** Identify by full name, title, business address, telephone number, email address, and official capacity the Person(s) who prepared or supervised the preparation of the Firm's response to the Information Requests.

L. Firm Information

1. State the Firm's complete legal name and all other names under which it has done business since January 1, 2009, its corporate mailing address, all addresses and websites from which it does or has done business since January 1, 2009, and the date(s) and state(s) of its incorporation.
2. Describe the Firm's business and corporate structure, provide an organizational chart stating the names of all parents, wholly or partially owned subsidiaries, incorporated or unincorporated divisions, affiliates, branches, joint ventures, franchises, operations under assumed names, websites, or other Person(s) over which the Firm exercises or has exercised supervision or control since January 1, 2009 who Assert Wireless Patents. When responding to these Information Requests, separately provide all information for the Firm and each related Person(s) identified in response to Request L2.
3. Has more than one Person identified in response to Request L2 engaged in Assertions relating to Wireless Patents against the same Person. (Y/N) If yes, name the Person(s) identified in response to Request L2 that made the Assertions, name the Person subject to the Assertions, state the date of each Assertion; and identify the Wireless Patent(s) related to each Assertion.
4. If the Firm is an exclusive Licensee to any Wireless Patent(s), produce, and provide a narrative response identifying by Reference Number, the License, state whether there are any geographic limitations to the License, whether there are any field of use limitations to the License, and whether the field of use restriction is in the following sectors: Chemical, Computers & Communications, Drugs &

Medical, Semiconductors, Other Electrical & Electronic, Mechanical, or Other, and produce, and provide a narrative response identifying by Reference Number, all related Reports.

M. Standard Setting Commitments

1. If any Person has committed to a Standard Setting Organization that it will License any Wireless Patent(s) Held by the Firm since January 1, 2009, for each commitment
 - a. State the date the commitment was made.
 - b. Identify the Person who made the commitment.
 - c. Identify the Standard Setting Organization.
 - d. Identify the standard(s) to which the commitment applies.
 - e. State whether the commitment is to License the Wireless Patent(s) or any Patent claim(s) on reasonable and non-discriminatory (RAND); fair, reasonable, and non-discriminatory (FRAND); royalty-free (RF); or other terms.
 - (1) if the commitment is to License on terms other than RAND, FRAND, or RF, provide a narrative response describing the terms.
 - f. Is the commitment subject to a field of use restriction? (Y/N) If yes:
 - (1) state the specific field of use restriction(s); and
 - (2) identify, from the following list, in which sector(s) is the field of use restriction: Chemical, Computers & Communications, Drugs &

Medical, Semiconductors, Other Electrical & Electronic, Mechanical,
or Other.

- g. Provide a narrative response listing all Patent(s) that any Person has declared, or otherwise identified to any Person, as subject to the commitment.
- h. Produce, and provide a narrative response identifying by Reference Number, all agreements embodying the commitment.

N. Patent Transfer Information

1. For each transaction in which the Firm Transferred Wireless Patent(s) since January 1, 2009

- a. State the date of the transaction.
- b. State the Person(s) who Transferred the Patent(s).
- c. State the Person(s) to whom the Patent(s) were Transferred.

(1) did the Firm Transfer the Patent(s) to a Person that the Firm identifies as a Patent Assertion Entity? (Y/N)

d. State the total number of Patent(s) Transferred in the transaction.

e. For each Patent Transferred in the transaction:

(1) state the Patent number.

(2) did the Firm assign the Patent in connection with the transaction?

(Y/N) If yes:

(a) was the assignment recorded with the United States Patent and Trademark Office? (Y/N)

(3) did the Firm grant an exclusive License to the Patent(s) in connection with the transaction? (Y/N)

f. Did the Firm transfer existing License obligations to the Patent(s)? (Y/N) If yes:

(1) state the total number of License obligations transferred; and

(2) state the total revenue received by the Firm from these Licenses.

g. Did the Firm Transfer the Patent(s) in connection with any proceeding before a United States Bankruptcy Court? (Y/N) If yes:

(1) state the jurisdiction; and

(2) state the docket number.

h. Was the Firm paid a lump-sum payment(s), *i.e.* a payment not directly affected by the transferee's future revenue or unit sales, to Transfer the Patent(s)? (Y/N) If yes, for each Person making payments to the Firm:

(1) state the Person from whom the payment was received;

(2) state the total amount of the lump-sum payment(s) received;

(3) state the total amount of the lump-sum payment(s) expected to be received in the future;

(4) if any agreement(s) define(s) the payment terms, produce, and provide a narrative response identifying by Reference Number, the agreement(s); and

- (5) provide a narrative response describing the method for calculating the payment(s).
- i. Did the Firm receive, or is it receiving, an on-going payment, *i.e.*, a payment that is directly affected by either the transferee's future revenue or unit sales, from the Person(s) receiving the Patent(s)? (Y/N) If yes, for each Person making payments to the Firm:
- (1) state the Person(s) from whom the payment(s) are received;
 - (2) state the total amount of the on-going payments received from this Person(s), by calendar year, made to the date of this Request;
 - (3) state the total amount of payments expected to be received in the future;
 - (4) if any agreement(s) define(s) the payment terms, produce, and provide a narrative response identifying by Reference Number, the agreement(s); and
 - (5) provide a narrative response describing the method for calculating the on-going payment(s).
- j. Does the Transfer involve a cross-License? (Y/N) If yes:
- (1) state the date of the cross-License agreement.
 - (2) Has the Firm assigned a value to the cross-License? (Y/N) If yes:
 - (a) state the date of the most recent valuation;
 - (b) state the amount of the most recent valuation;

(c) provide a narrative response identifying by date and amount all prior valuations by, or on behalf of, the Firm; and

(d) produce, and provide a narrative response identifying by Reference Number, all related Reports.

(3) produce, and provide a narrative response identifying by Reference Number, the cross-License; and

(4) produce, and provide a narrative response identifying by Reference Number, all related Reports.

k. Did any Person outside the Firm share in the proceeds from the Transfer?

(Y/N) If yes:

(1) state the Person(s) who shared in the proceeds from the Transfer;

(2) state the total amount shared with other Person(s) to the date of this Request;

(3) state the total amount expected to be shared with other Person(s) in the future;

(4) produce, and provide a narrative response identifying by Reference Number, all related agreements;

(5) produce, and provide a narrative response identifying by Reference Number, all related Reports; and

(6) for each Person identified, provide a narrative response stating the amount shared with each Person, the amount expected to be shared in the future, and the method for calculating this amount.

1. Produce, and provide a narrative response identifying by Reference Number, all Reports related to the Transfer.

m. Produce, and provide a narrative response identifying by Reference Number, all agreements related to the Transfer.

2. To the extent not identified in these Information Requests, produce, and provide a narrative response identifying by Reference Number, all agreements between the Firm and any Person executed since January 1, 2009 relating to any Transfer by the Firm of any Legal Right to a Patent

a. For any such agreement produced, also produce, and provide a narrative response identifying by Reference Number, all Reports that (i) evaluate or analyze the reasons for entering into the agreement or (ii) evaluate or analyze the calculation of any payment relating to the Acquisition.

O. Patent Assertion Information

1. Demand Information: For each Demand made by, or on behalf of, the Firm since January 1, 2009, relating to Wireless Patent(s)

a. State the date of the Demand.

b. State the Person(s) who made the Demand, *e.g.* the Firm or one of its related Person(s).

c. State the Person(s) to whom the Demand was made.

- d. State the Patent(s) that formed the basis of the Demand.
 - e. Identify, from the following list, in which sector(s) the Demand was made:
Chemical, Computers & Communications, Drugs & Medical,
Semiconductors, Other Electrical & Electronic, Mechanical, or Other.
 - f. Was the Demand limited to geographic area(s)? (Y/N) If yes:
 - (1) identify the geographic area(s).
 - g. State all accused product(s) relating to the Demand.
 - h. Produce, and provide a narrative response identifying by Reference Number, a copy of each Demand Document and all appendices, including, but not limited to, claim charts, and all Reports related to the Demand.
2. Litigation Information: For each Litigation commenced since January 1, 2009 relating to a Wireless Patent Held by the Firm, or a Wireless Patent in which the Firm has an Economic Interest, separately for each Person (collectively including its parents, subsidiaries, and affiliates) named as a defendant (if the Firm is a plaintiff) or as a declaratory judgment plaintiff (if the Firm is a defendant)
- a. State the jurisdiction in which the Litigation was commenced.
 - b. State the docket number of the Litigation.
 - c. State the date the Litigation was commenced.
 - d. State all plaintiffs named or otherwise joined in the Litigation.
 - e. State the defendant (including parents, subsidiaries, and affiliates) named or otherwise joined in the Litigation.

- f. State all Patents Asserted.
- g. Identify, from the following list, in which sector(s) the Patents were asserted:
Chemical, Computers & Communications, Drugs & Medical,
Semiconductors, Other Electrical & Electronic, Mechanical, or Other.
- h. Produce, and provide a narrative response identifying by Reference Number, all orders relating to all dispositive motions.
- i. Produce, and provide a narrative response identifying by Reference Number, all expert reports exchanged during Litigation that offer an opinion related to the valuation of the Patent(s) or damages relating to the Litigation.
- j. Is the Litigation pending? (Y/N) If no:
 - (1) state the date of termination.
 - (2) state whether the Litigation terminated upon successful dispositive motion, jury verdict, judgment following trial on the merits, appeal, settlement, or other (if other, explain).
 - (3) provide a narrative response identifying all Patent claims found infringed, valid, and enforceable.
 - (4) did a permanent injunction, exclusion order, or cease and desist order issue? (Y/N)
 - (5) did the court award damages? (Y/N) If yes:
 - (a) state the amount awarded; and
 - (b) state the amount actually paid to the prevailing party.

(6) did the court award fees pursuant to 35 U.S.C. 285? (Y/N) If yes:

(a) state the fees awarded; and

(b) state the amount actually paid to the prevailing party.

(7) did the court issue sanctions pursuant to Rule 11 of the Federal Rules of Civil Procedure? (Y/N)

(8) did the Litigation terminate upon exhaustion of appellate process? (Y/N)

k. Did the Litigation settle? (Y/N) If yes:

(1) did the settlement result in a License agreement? (Y/N) If yes:

(a) state the date of the License agreement;

(b) state the Licensee; and

(c) state the Licensor.

(2) when was settlement reached: after the complaint was filed; after a successful dispositive motion, after a jury verdict, after judgment following trial on the merits, after appeal, or other (if other, explain)?

(3) did the Court issue an order construing any claim(s) of the Patent(s) Asserted before settlement was reached? (Y/N) If yes:

(a) produce, and provide a narrative response identifying by Reference Number, the order.

(4) state the total revenue the Firm has received under the terms of the settlement agreement from January 1, 2009 to the date of this Request.

Do not report revenue reported for any License identified in response to N.3 below.

- (a) was any part of this revenue received as a lump-sum payment, *i.e.* a payment not directly affected by the defendant's future revenue or unit sales? (Y/N) If yes:
- (1) state the total revenue the Firm has received to the date of this request in lump-sum payments; and
 - (2) state the total revenue the Firm expects to receive in lump-sum payments in the future.
- (b) was any part of this revenue received as an on-going payment, *i.e.*, a payment that is directly affected by either the defendant's future revenue or unit sales? (Y/N) If yes:
- (1) state the total revenue the Firm has received to the date of this request in on-going payments; and
 - (2) state the total revenue the Firm expects to receive in on-going payments in the future.
- (c) is this revenue shared with anyone outside the Firm? (Y/N)
- If yes:
- (1) state the total amount shared outside the Firm.
 - (2) if the revenue is part of an ongoing payment, state the total amount the Firm expects to share in the future.

(3) is any revenue shared pursuant to a contingency fee or risk-sharing agreement? (Y/N) If yes:

(A) state the total amount shared pursuant to a contingency fee or risk-sharing agreement;

(B) state the Person(s) outside the Firm who is party to the agreement; and

(C) provide a narrative response stating the amount the Firm shared with each Person, the amount the Firm expects to share in the future, and describing the method for calculating this amount.

(4) state all Person(s) with whom this revenue is shared.

(A) are any of these Person(s) the named inventor of any Patent Asserted in the Litigation? (Y/N)

(B) are any of these Person(s) the employer of the named inventor of any Patent Asserted in the Litigation? (Y/N)

(5) produce, and provide a narrative response identifying by Reference Number, all revenue sharing agreements.

(6) provide a narrative response stating the amount shared with each Person and describing the method for calculating this amount.

l. State the Firm's total expenses relating to the Litigation from January 1, 2009 to the date of this Request.

(1) are these expenses shared with any Person(s) outside the Firm? (Y/N)

If yes:

(a) state the total amount of expenses shared outside the Firm;

(b) identify all Person(s) with whom expenses are shared;

(c) produce, and provide a narrative response identifying by Reference Number, all expense sharing agreements;

(d) produce, and provide a narrative response identifying by Reference Number, all Reports related to all expense sharing agreements; and

(e) provide a narrative response stating the amount shared with each Person and describing the method for calculating this amount.

m. State all projected revenues relating to the Litigation from the date of this Request.

(1) provide a narrative response describing the method for calculating the projected revenue, *e.g.* as a fraction of revenue or a fee per unit sold.

- n. To the extent not identified above, produce, and provide a narrative response identifying by Reference Number, all agreements related to the Litigation and produce, and provide a narrative response identifying by Reference Number, all Reports related to the Litigation.
3. License Information: For each License executed since January 1, 2009 relating to a Wireless Patent Held by the Firm or a Wireless Patent in which the Firm has an Economic Interest
- a. Who is the Licensor?
 - b. Who is the Licensee?
 - c. Identify all Patent(s) Licensed.
 - d. What is the effective date of the License agreement?
 - e. Does the License relate to a Wireless Patent Held by the Firm? (Y/N)
 - f. Does the License relate to a Wireless Patent in which the Firm has an Economic Interest? (Y/N)
 - g. For each Litigation related to the License:
 - (1) State the jurisdiction in which the Litigation was commenced.
 - (2) State the docket number of the Litigation.
 - h. Does the License contain a field of use restriction? (Y/N) If yes:
 - (1) state the specific field of use restriction ; and
 - (2) identify, from the following list, in which sector(s) is the field of use restriction: Chemical, Computers & Communications, Drugs &

Medical, Semiconductors, Other Electrical & Electronic, Mechanical,
or Other.

i. Does the License contain a geographic restriction? (Y/N) If yes:

(1) identify the geographic restriction(s).

j. State the duration of the License agreement?

k. State the Licensed products or services.

l. Does the License include any cross-License? (Y/N) If yes:

(1) has the Firm assigned a value to the cross-License? (Y/N) If yes:

(a) state the date of the most recent valuation; and

(b) state the amount of the most recent valuation; and

(c) provide a narrative response identifying by date and
amount all prior valuations by, or on behalf of, the Firm;
and

(d) produce, and provide a narrative response identifying by
Reference Number, all related Reports.

(2) produce, and provide a narrative response identifying by Reference
Number, the cross-License.

m. Provide a narrative response identifying the number of Patents cross-Licensed,
as well as whether the cross-License is exclusive, whether there are any
geographic limitations to the cross-License, whether there are any field of use
limitations to the cross-License, and whether the field of use restriction is in

the following sectors: Chemical, Computers & Communications, Drugs & Medical, Semiconductors, Other Electrical & Electronic, Mechanical, or Other.

n. State the total revenue the Firm has received under the terms of the License from January 1, 2009 to the date of this Request.

(1) was any part of this revenue received as a lump-sum payment, *i.e.* a payment not directly affected by the defendant's future revenue or unit sales? (Y/N) If yes:

(a) state the total revenue the Firm has received to the date of this request in lump-sum payments.

(2) was any part of this revenue received as an on-going payment, *i.e.*, a payment that is directly affected by either the defendant's future revenue or unit sales? (Y/N) If yes:

(a) state the total revenue the Firm has received to the date of this request in on-going payments.

(3) is this revenue shared with anyone outside the Firm? (Y/N) If yes:

(a) state the total amount shared outside the Firm.

(b) if the revenue is part of an ongoing payment, state the total amount the Firm expects to share in the future.

(c) state all Person(s) with whom this revenue is shared.

(1) are any of these Person(s) the named inventor of any of the Licensed Patents? (Y/N)

(2) are any of these Person(s) the employer of the named inventor of any of the Licensed Patents? (Y/N)

(d) produce, and provide a narrative response identifying by Reference Number, all revenue sharing agreements.

(e) provide a narrative response stating the amount the Firm shared with each Person and the amount the Firm expects to share in the future and describing the method for calculating this amount.

o. State the Firm's total expenses relating to the License agreement from January 1, 2009 to the date of this Request.

(1) are these expenses shared with any Person(s) outside the Firm? (Y/N)

If yes:

(a) state the total amount of expenses shared outside the Firm;

(b) identify all Person(s) with whom expenses are shared;

(c) produce, and provide a narrative response identifying by Reference Number, all expense sharing agreements;

(d) produce, and provide a narrative response identifying by Reference Number, all Reports related to all expense sharing agreements; and

(e) provide a narrative response stating the amount of expenses shared with each Person and describing the method for calculating this amount.

p. State all projected revenues relating to the License from the date of this Request.

(1) provide a narrative response describing the method for calculating the projected revenue, *e.g.* as a fraction of revenue or a fee per unit sold.

q. Produce, and provide a narrative response identifying by Reference Number, all Reports related to the License.

r. Produce, and provide a narrative response identifying by Reference Number, all agreements related to the License.

4. To the extent not identified above, produce, and provide a narrative response identifying by Reference Number, all agreements related to any Assertion relating to a Wireless Patent Held by the Firm, or a Wireless Patent in which the Firm has an Economic Interest and produce, and provide a narrative response identifying by Reference Number, all related Reports.

P. Aggregate Cost Information

1. Separately, for each year since January 1, 2009

a. State the total cost to the Firm relating to all Litigations identified in response to Request O.2.

(1) did the Firm share Litigation costs with Person(s) outside the Firm?

(Y/N) If yes:

- (a) state all Person(s) with whom these costs are shared;
- (b) state the total amount paid by Person(s) outside the Firm;
and
- (c) state the total amount paid by the Firm.

b. State the total cost to the Firm relating to all Licenses identified in response to Request O.3.

(1) did the Firm share License costs with Person(s) outside the Firm?

(Y/N) If yes:

- (a) state all Person(s) with whom these costs are shared;
- (b) state the total amount paid by Person(s) outside the Firm;
and
- (c) state the total amount paid by the Firm.

2. For all forecasted costs expected to be paid after the date of this Request

- a. State the total cost expected to be paid by the Firm relating to all Litigations identified in Request O.2.
- b. State the total cost expected to be paid by all other Person(s) outside the Firm relating to all Litigations identified in Request O.2.
- c. State the total cost expected to be paid by the Firm relating to all License Agreements identified in Request O.3.
- d. State the total cost expected to be paid by all other Person(s) outside the Firm relating to all License Agreements identified in Request O.3.

- e. Produce, and provide a narrative response identifying by Reference Number, all Reports related to all forecasted costs identified in response to this Request.
3. Produce, and provide a narrative response identifying by Reference Number, Documents sufficient to show all costs and payments identified in response to this Request

Q. Aggregate Revenue Information

1. Separately, for each year since January 1, 2009
- a. State the total revenue received by the Firm relating to all Transfers identified in response to Request N.

(1) did the Firm share Transfer revenue with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom this revenue is shared;

(b) state the amount of revenue shared with Person(s) outside the Firm; and

(c) state the amount retained by the Firm.

- b. State the total revenue received by the Firm relating to all Litigations identified in response to Request O.2.

(1) did the Firm share Litigation revenue with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom this revenue is shared;

(b) state the total revenue shared with Person(s) outside the Firm; and

(c) state the amount retained by the Firm.

c. State the total revenue received by the Firm relating to all Licenses identified in response to Request O.3.

(1) did the Firm share License revenue with Person(s) outside the Firm?

(Y/N) If yes:

(a) state all Person(s) with whom this revenue is shared;

(b) state the total revenue shared with Person(s) outside the Firm; and

(c) state the amount retained by the Firm.

2. For all forecasted revenues expected to be received by the Firm after the date of this Request

a. State the total revenue expected to be received by the Firm relating to all Transfers identified in Request N.

b. State the total revenue expected to be received by all other Person(s) outside the Firm relating to all Transfers identified in Request N.

c. State the total revenue expected to be received by the Firm relating to all Litigations identified in Request O.2.

d. State the total revenue expected to be received by all other Person(s) outside the Firm relating to all Litigations identified in Request O.2.

- e. State the total revenue expected to be received by the Firm relating to all License Agreements identified in Request O.3.
 - f. State the total revenue expected to be received by all other Person(s) outside the Firm relating to all License Agreements identified in Request O.3.
3. Produce, and provide a narrative response identifying by Reference Number, Documents sufficient to show all revenue identified in response to Request Q
 4. Produce, and provide a narrative response identifying by Reference Number, all Reports related to all forecasted revenues identified in response to Request Q
 5. Has the Firm received any revenue, either directly or indirectly, from the Assertion of any Wireless Patent by any Person not otherwise identified in response these requests? (Y/N) If yes:
 - a. state the Person(s) who paid this revenue to the Firm;
 - b. state the total amount of revenue received;
 - c. state the total amount of revenue expected to be received in the future; and
 - d. for each Person who paid this revenue to the Firm, provide a narrative response identifying the amount paid, identifying the amount expected to be paid in the future, and describing the Assertion.
 6. Has the Firm received any revenue, either directly or indirectly, from the Transfer of any Wireless Patent by any Person not otherwise identified in response these requests? (Y/N) If yes:
 - a. state the Person(s) who paid this revenue to the Firm;

- b. state the total amount of revenue received;
- c. state the total amount of revenue expected to be received in the future; and
- d. for each Person who paid this revenue to the Firm, provide a narrative response identifying the amount paid, identifying the amount expected to be paid in the future, and describing the Transfer.

Pending this information collection, the destruction, mutilation, alteration, or falsification of documentary evidence within the possession or control of a person, partnership or corporation subject to the FTC Act is subject to criminal prosecution. 15 U.S.C. 50, *see also* 18 U.S.C. 1505.

III. Confidentiality

In connection with its requests, the Commission will receive information of a confidential nature. Under Section 6(f) of the FTC Act, such information is protected from disclosure while it remains confidential commercial information. 15 U.S.C. 46(f).

IV. Estimated Hours and Labor Cost Burden

The proposed information collection is a one-time endeavor that, upon completion by study subjects, will not involve repeated responses. In its prior Federal Register notice, the FTC estimated that a recipient's burden for the PAE study would range from 90 to 400 hours depending on the recipient.¹

Several commenters noted that the FTC's initial estimate of recipients' burden was accurate, while others stated that the FTC's initial burden estimates were too low. The initial hour burden estimates are consistent with previous PRA estimates and the FTC's experience

¹ 78 FR 61,352, 61357 (Oct. 3, 2013)

with information requests that require financial data, narrative responses, and production of pre-existing documents. The Generic Drug Report, as well as the Authorized Generic Drugs report, involved requests for financial information and responses to questions, and the estimated hours burdens varied depending on the number of drugs covered. Similarly, the burden in this study will vary depending on a subject’s number of patents and volume of assertion activity. In the first generic drugs study, the burden was an estimated 100-500 hours, and in the authorized generics study, the burden was an estimated 138 to 456 hours.²

The Commission believes that its estimates are realistic given the modifications that it has made to the requests, which now reflect many of the public comments’ suggestions for reducing burden. For example, many requests that originally called for “all” documents in a given category now request a defined subset of such documents. Several comments stated that requests would unduly burden companies with large portfolios of patents that were developed by the company’s employees. The proposed information collection has been modified to avoid unreasonable burdens on such companies. Moreover, in response to concerns about using a single set of requests for PAE Firms, Manufacturing Firms, and NPEs, there are now two sets of proposed information requests: one for PAE firms, and a second for Manufacturers and NPEs.

A. Estimated Hours Burden:

Task	PAE Firms	Manufacturers and NPEs
Identify, obtain, and organize firm information; prepare response	15 – 35 hours	15 – 35 hours
Identify, obtain, and	40 – 65 hours	N/A

² 66 FR 12,512, 12,522-23 (2001); 72 FR 25,304, 25314 (2007).

organize patent information; prepare response		
Identify, obtain, and organize patent portfolio information; prepare response	40 – 65 hours	N/A
Identify, obtain, and organize acquisition information; prepare response	70 – 150 hours	N/A
Identify, obtain, and organize transfer information; prepare response	70 – 150 hours	70 – 150 hours
Identify, obtain, and organize assertion information; prepare response	150 – 300 hours	150 – 300 hours
Identify, obtain, and organize aggregate revenue information; prepare response	20 – 40 hours	20 – 40 hours
Identify, obtain, and organize aggregate cost information; prepare response	20 – 40 hours	20 – 40 hours
TOTAL	425 – 845 hours	275 – 565 hours

FTC staff anticipates that the cumulative hours burden to respond to the information requests will be between 275 and 845 hours per firm. Nonetheless, staff conservatively assumes that the burden for each of the approximately 25 PAE firms will be 845 hours, and the cumulative estimated burden will be approximately 21,125 hours. Staff conservatively assumes that the burden for each of the approximately 15 manufacturers and NPEs will be between 565

hours per firm, and the cumulative estimated burden will be approximately 8,475 hours. Given these conservative estimates, the total estimated burden is approximately 29,600 hours. These estimates attempt to include any time spent by other entities affiliated with the Firm that received the information requests, however, the numbers may be greater or lesser depending on the numbers of affiliated entities. The FTC seeks to understand the number of affiliated entities as part of the Information Requests.

B. Estimated Cost Burden:

It is difficult to calculate precisely labor costs associated with this data production. Labor costs entail varying compensation levels of management and/or support staff among firms of different sizes. In addition, comments responding to the First Notice suggested that outside counsel will be involved in responding to the requests. Consequently, although financial, legal, and clerical personnel may be involved in the information collection process, FTC staff now assumes that mid-management personnel and outside legal counsel will handle most of the tasks involved in gathering and producing responsive information, and has applied an average rate of \$250/hour for all labor costs. Thus the labor costs per company may range between \$68,750 (275 hours x \$250/hour) and \$211,250 (845 hours x \$250/hour).

C. Estimated Annual Capital or Other Non-labor Costs

Staff anticipates that the capital or other non-labor costs associated with the information requests will be minimal. Although the information requests may require the respondent to store copies of the requested information provided to the Commission, responding Firms should already have in place the means to store information of the volume requested. Respondents may need to purchase minimal office supplies to respond to the request. Staff estimates that each

respondent will spend \$500 for such costs regarding the information request, for a total additional non-labor cost burden of \$20,000 (\$500 x 40 Firms).

V. Request for Comment

Under the PRA, 44 U.S.C. 3501-3521, federal agencies must obtain approval from OMB for each collection of information they conduct or sponsor. “Collection of information” means agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. 44 U.S.C. 3502(3); 5 CFR 1320.3(c). As required by Section 3506(c)(2) of the PRA, 44 U.S.C. 3506, on October 3, 2013, the FTC published its First Notice seeking public comments on a study of PAE activity. The FTC will provide OMB with the comments received in response to the First Notice.

Pursuant to Section 3507 of the PRA, additional public comments regarding this information collection request may be submitted to OMB and the FTC. Comments received by [insert date 30 days from the date of publication in the FEDERAL REGISTER] will be considered. Written comments to OMB should be addressed to: Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for the Federal Trade Commission, New Executive Office Building, Docket Library, Room 10102, 725 17th Street, NW, Washington, D.C. 20503. Comments sent to OMB by U.S. postal mail, however, are subject to delays due to heightened security precautions. Thus, comments instead should be sent by facsimile to (202) 395-5167.

Postal mail addressed to the Commission is also subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To submit your comment to the FTC online, write “PAE Reports: Paperwork Comment; Project No. P131203” on your comment, and file your comment online at

<https://ftcpublishcommentworks.com/ftc/paestudypra2>, by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, NW, Suite CC-5610, (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street, SW, 5th Floor, Suite 5610, (Annex J), Washington, D.C. 20024. If this Notice appears at <http://www.regulations.gov/#!home>, you also may file a comment through that website.

Your comment, including your name and your state, will be placed on the public record of this proceeding, including, to the extent practicable, on the public Commission Website, at <http://www.ftc.gov/os/publiccomments.shtm>. As a matter of discretion, the Commission tries to remove individuals' home contact information from comments before placing them on the Commission Website.

Because your comment will be made public, you are solely responsible for making sure that your comment does not include any sensitive personal information, like anyone's Social Security number, date of birth, driver's license number or other state identification number or foreign country equivalent, passport number, financial account number, or credit or debit card number.

You are also solely responsible for making sure that your comment does not include any sensitive health information, like medical records or other individually identifiable health information. In addition, do not include any "[t]rade secret or any commercial or financial information which is . . . privileged or confidential," as discussed in Section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2). In particular, do not include

competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names in your comment.

If you seek confidential treatment for your comment, you must file it in paper form, with a request for confidential treatment, and you must follow the procedure explained in FTC Rule 4.9(c), 16 CFR 4.9(c).³ Your comment will be kept confidential only if the FTC General Counsel grants your request in accordance with the law and the public interest.

Visit the Commission Website at <http://www.ftc.gov> to read this Notice and the news release describing it. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before [insert date 30 days from the date of publication in the FEDERAL REGISTER]. You can find more information, including routine uses permitted by the Privacy Act, in the Commission's privacy policy, at <http://www.ftc.gov/ftc/privacy.htm>.

By direction of the Commission.

Donald S. Clark,
Secretary.

³ In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. *See* FTC Rule 4.9(c), 16 CFR 4.9(c).