



701 Exposition Place, Suite 206 • Raleigh, NC 27607  
Phone: 919-230-9635 • Email: [representative@napp.org](mailto:representative@napp.org)  
Website: <https://www.napp.org/>

December 21, 2023

## **PRESS RELEASE**

### **NAPP Endorses the Promoting and Respecting Economically Vital American Innovation Leadership (PREVAIL) Act.**

The National Association of Patent Practitioners (NAPP) endorses the PREVAIL Act. American innovation benefits from a strong and reliable patent system. The patent system provides incentives to innovate and to disclose those innovations to the public. However, the creation of the PTAB and the PTAB AIA proceedings has reduced the incentives to use the patent system by increasing the costs to do so and reducing the certainty associated with acquiring a patent.

Statistics collected by the American Intellectual Property Lawyers Association (AIPLA) demonstrate that the average cost of each PTAB AIA proceeding exceeds \$450,000, whereas the average costs to acquire a patent are less than \$20,000. The current laws governing PTAB AIA proceedings have insufficient limits on who can file PTAB AIA petitions, how many they can file, and when they can do so. This results in a substantial risk of a patent owner facing the relatively huge cost of a PTAB AIA proceeding after acquiring a patent, and that risk tends to chill both the acquisition and assertion of valid patents.

The current laws governing PTAB AIA proceedings favor their outcomes, relative to district court patent validity challenges, against the patent owner. The PREVAIL Act goes a long way to help reduce bias so that the patent owner will face the same challenge in either the district court or the PTAB, and only face that challenge once.

The PREVAIL Act imposes a standing requirement that avoids cooperation between patent infringers and patent-challenging entities. Patent-challenging entities are those entities whose business model is to get paid to challenge the validity of patents. The PREVAIL Act avoids the current chilling effect caused by the existence of patent-challenging entities.

The PREVAIL Act limits the number of PTAB AIA petitions a patent infringer can bring against a patent, to one. The PREVAIL Act also limits the time a patent infringer has, after being sued, to file that petition. Those limitations avoid the gamesmanship that patent infringers now employ regarding the number and timing of the filing of PTAB AIA petitions.

The PREVAIL Act requires an accused infringer to present their invalidity contentions in either district court or in the PTAB, but not in both. This avoids the unnecessary judicial costs of

duplicative proceedings and the unfair advantage afforded patent infringers of multiple attempts to invalidate each patent.

The PREVAIL Act requires the same clear and convincing burden of proof to show invalidity in PTAB AIA proceedings now applicable in district court actions, instead of the lower burden of proof now employed in PTAB AIA proceedings. This removes the artificially lower burden of proof now favoring patent infringers in PTAB AIA proceedings.

### **About The National Association of Patent Practitioners**

NAPP is a 27 year old North Carolina based organization that represents hundreds of patent practitioners across the country who specialize in patent practice before the USPTO. NAPP was created to provide patent agents and attorneys with networking opportunities, continuing legal education, exclusive benefits and a larger voice in the collective IP community. Many of our members focus their client work on small businesses, startups, and individual inventors before the USPTO. NAPP members are frequent users of the United States patent system and highly knowledgeable about U.S. patent matters. NAPP has established itself as a thought leader in the patent community, and the organization is frequently consulted on major issues with the USPTO and the patent community.