



NATIONAL
ASSOCIATION of
REALTORS®

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The Honorable Peter DeFazio
2134 Rayburn House Office Building
Washington, DC 20515

The Honorable Jason Chaffetz
2464 Rayburn House Office Building
Washington, DC 20515

Dear Representatives DeFazio and Chaffetz:

On behalf of the more than one million members of the NATIONAL ASSOCIATION OF REALTORS® (NAR), we wish to thank you for the introduction of H.R. 845, the "SHIELD Act." We view the reforms in this bill as a needed first step to protect innovators from broad claims of patent infringement based on patents of questionable validity all brought by non-practicing entities.

NAR, whose members identify themselves as REALTORS®, represents a wide variety of real estate industry professionals. REALTORS® have been early adopters of technology and are industry innovators who understand that consumers today are seeking real estate information and services that are fast, convenient and comprehensive. Increasingly, technology innovations are driving the delivery of real estate services and the future of REALTORS® businesses.

As technology users, NAR and several of its members recently faced onerous patent infringement litigation over questionable patents dealing with location based search capabilities. These suits were brought by patent holding companies and other non-practicing entities. The suit was eventually settled in a multi-million dollar settlement. Our members know firsthand that "patent trolls" divert significant time and money from their businesses.

Without needed reforms that assure that asserted patent rights are legitimate, the ability of businesses owned by REALTORS®, many of which are small businesses, to grow, innovate and better serve modern consumers will be put at risk. NAR supports the reforms in the SHIELD Act as we believe that the potential for litigation fee shifting would act to discourage frivolous litigation.

While curbing questionable patent litigation is a needed reform, improving patent system transparency and patent quality are equally important. While we recognize that the Patent Trademark Office (PTO) has taken important steps to improve the system, more work is needed.

We welcome the introduction of the SHIELD Act and look forward to working with you to create needed reforms to the patent system that will truly promote innovation and expand job creation.

Sincerely,

Gary Thomas
2013 President, National Association of REALTORS®



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