



Patent Quality Initiative Launched to Facilitate Better Patents and Fewer Disputes

PQI will undertake activities designed to improve the quality of patents with a focus on protecting the safety and reliability of critical financial infrastructure

For Immediate Release

New York, NY, October 15, 2014, Today, The Clearing House announced the formation of the Patent Quality Initiative (PQI), an advocacy organization that strives to improve patent quality within financial services and other industries. PQI will seek to promote strong patents and positive patent holder activities, and discourage the assertion of patents that were granted but are actually invalid.

The patent system was established by the United State Constitution more than 200 years ago and has been vital to our nation's innovation success story. Unfortunately, many issued patents do not further that goal. [Patent Quality Initiative](#) will undertake a number of strategic programs that will evolve over time including making pertinent prior art more easily accessible, providing educational research and briefings on the patent system and evolution of technology in financial services, and filing amicus briefs that highlight issues critical to patent quality. PQI recently filed [amicus briefs](#) urging courts to streamline the assessment of whether a patent is valid. Additionally, to help reduce impediments to innovation, PQI will petition the United States Patent and Trademark Office to take a second look at patents under *Inter Partes* Review (IPR) that it believes are invalid.

"Settlement costs related to invalid patents impact companies of all sizes and threaten their ability to invest in technologies that are actually novel and products that provide consumers new and innovative choices," said Sean Reilly, General Counsel of Askeladden L.L.C., which directs the Patent Quality Initiative, and Senior Vice President and Associate General Counsel for The Clearing House Payments Company L.L.C. which is supporting PQI. "Invalid patents and bad patent holder behaviors can cause significant harm to the safety and reliability of critical financial infrastructure in the United States."

Start-up companies and small businesses are particularly vulnerable because they often lack the money and other resources necessary to combat threats from invalid patents, and may be forced to leave the market completely. PQI will improve patent quality by helping to reduce bad patents early and make asserting questionable ones more difficult.

The Patent Quality Initiative, under Askeladden L.L.C., is the product of thought-leadership provided by The Clearing House. Established in 1853, The Clearing House is the oldest banking association and payments company in the United States. It is owned by the world's largest commercial banks, which hold more than half of all U.S. deposits. The Clearing House Association L.L.C. is a nonpartisan advocacy organization representing—through regulatory comment letters, amicus briefs and white papers—the interests of its owner banks on a variety of important banking issues. Its affiliate, The Clearing House Payments Company L.L.C., provides payment, clearing and settlement services to its member banks and other financial institutions, clearing almost \$2 trillion daily, which represents nearly half of the automated clearing-house, funds transfer, and check-image payments made in the United States. See The Clearing House's web page at www.theclearinghouse.org.

About Patent Quality Initiative

The Patent Quality Initiative (PQI) is an education, information and advocacy effort with the goal of improving the understanding, use and reliability of patents in financial services and other industries. PQI strives to promote better patents and patent holder behaviors by regularly filing amicus briefs, *Inter Partes* Reviews (IPRs) and engaging in educational activities. Please visit www.patentqualityinitiative.com

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