

2014 NPE Litigation Report

RPX Exhibit 11
RPX v. AIT
IPR2015-01752

Summary of Findings

The RPX NPE Litigation Report provides an overview of the litigation activities of non-practicing entities (NPEs) in 2014. This report continues the trend of previous years, continuing to provide a comprehensive overview through the data needed to inform decisions concerning NPE litigation.

For example, this year's data reveal a marked decrease in NPE litigation in 2014 compared to 2013. While that drop is noteworthy, a deeper dive into the data gives ample reason to be cautious before declaring the end of NPE litigation, much less the beginning of the end of NPE litigation.

NPEs Remain the Largest Drivers of Patent Litigation

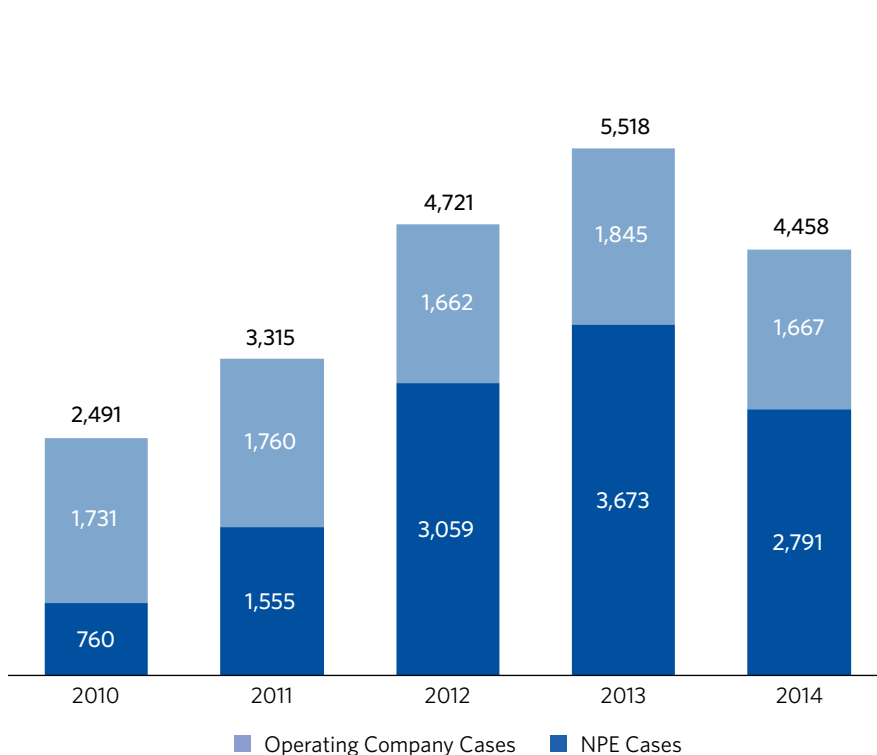
The volume of NPE litigation fell in 2014 for the first time in five years. However, the overall numbers are unmistakable. Nevertheless, NPE litigation remains the most common form of patent litigation in 2014; NPEs remain the most common target for patent infringement; and the frequency of NPE litigation against smaller companies (by revenue) and private companies remains remarkably steady over time.

The number of cases filed by NPEs dropped from around 3,700 in 2013 to roughly 2,800, but the total volume of patent cases also fell over the same time period, from 5,500 in 2013 to about 4,500 this past year. And, of those roughly 4,500 patent cases filed in 2014, NPEs filed 2,791—63% of the total—while operating companies filed only 1,667. NPEs were also responsible for naming 56% of all defendants to patent litigations in 2014, adding 3,600 defendants where plaintiff operating companies added only about 2,900 defendants.

NPEs Found New Targets in 2014

NPEs continued to broaden their reach this past year, targeting new companies in patent infringement litigation. In 2014, nearly 1,100 companies were first-time defendants in an NPE case, and when duplicates are removed from the list of defendants to any patent infringement case, 2014 saw about 3,800 unique defendants added. More than half of that list (2,072 unique defendants) were added by NPEs.

Cases Filed

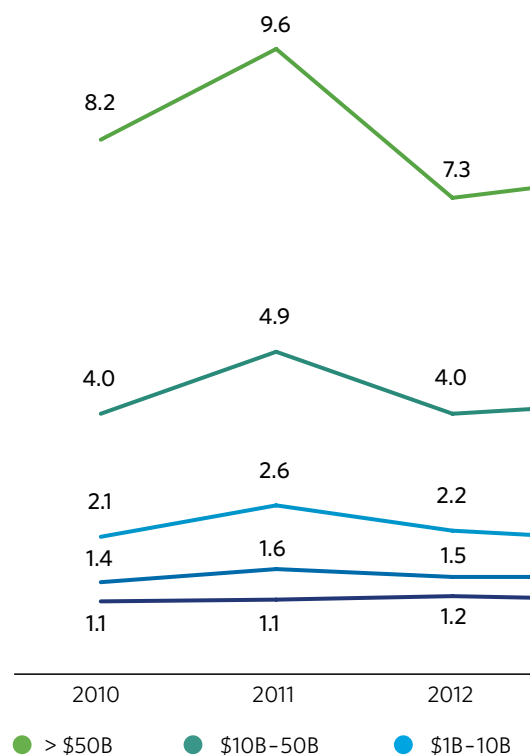


NPEs Continued Targeting Smaller Companies in 2014

Large companies (by revenue) and public companies have experienced less patent litigation than do smaller and private companies. However, in 2014, NPEs filed more cases against companies with less than \$100M in annual revenue, and the frequency of litigation against smaller companies has remained remarkably high.

Indeed, the data demonstrates that the only appreciable increase in litigation frequency has occurred for companies with between \$100M and \$500M in annual revenue. Likewise, while the frequency of NPE litigation has fluctuated from year to year, the frequency of litigation against smaller companies has remained the same for the past five years. In 2014, NPEs made up nearly three-fourths of unique defendants.

NPE Cases per Unique Defendant by Company Revenue



Other Noteworthy Trends and Constants

PTAB

The popularity of validity challenges before the Patent Trial and Appeal Board (PTAB) continues to grow. Petitions for inter partes review (IPR) against NPEs grew over 150% from 2013 to 2014 and covered business method (CBM) review against NPEs increased more than 80% over the same time period.

Venues

The Eastern District of Texas and the District of Delaware remain the most popular venues for NPE plaintiffs. The two venues accounted for 70% of cases filed and 66% of total defendants added.

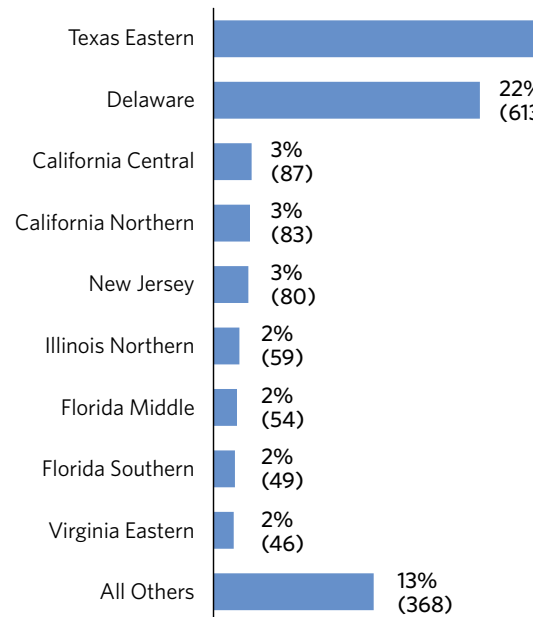
Software, Mobile

NPEs continue to favor software and mobile device patents. Patents asserted by NPEs in 2014 most often had US Patent Classification (USPC) codes related to software and mobile devices. The top five class codes accounted for 31% of unique patents asserted.

Acacia

Acacia remains the most litigious NPE. The top ten NPEs in 2014 accounted for 28% of NPE cases filed and 28% of total NPE defendants added. Acacia led the pack in both the number of cases filed and total defendants added in 2014. Acacia was also the top NPE by NPE cases filed and total NPE defendants added over the past five years.

NPE Cases Filed in 2014 by District Court



The complete 2014 NPE Litigation Report can be found at <http://www.rpxcorp.com/key-patent-market-trends/reports/>.

For further information, e-mail reports@rpxcorp.com

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