Blockchain Leaders Join LOT Network in Global Fight Against Patent Troll Litigation

Taming the wild west of blockchain IP protects large and small companies alike

PHOENIX (PRWEB) June 05, 2019 -- LOT Network (www.lotnet.com), the leading international non-profit patent protection network, today announced that blockchain leaders, Peer Mountain, MARKNetwork, Inc and IBISA have joined nearly 400 other companies across the technology, retail, automotive, financial services and blockchain industries, to actively fight the threat of frivolous patent assertion entity (PAE, or “patent troll”) litigation.

Patent trolls cost companies $80 billion in lost wealth per year, and are responsible for more than 85% of U.S. high-tech patent litigation. Peer Mountain, MARKNetwork, Inc and IBISA recognize that as blockchain patents are growing in number, the risk of a blockchain patent being used in patent troll litigation increases dramatically – and that patent assertions in the industry are inevitable. By proactively joining LOT Network, these leaders are safeguarding themselves against future patent troll litigation, and protecting their companies immediately against patent troll assertions using over 1.6M patents.

“Most blockchain companies have an industry overlap with other verticals – like blockchain plus optics, or blockchain plus mobile – so we rely on other protocols to operate our businesses,” said María Mateo, project lead, IBISA. “The intersection of technologies opens us up to exposure to patent troll litigation, even if blockchain patents themselves are only now starting to grow in number.”

“A majority of blockchain startups are founded on the basis of decentralization and open-source principles -- meaning that their code is open and that they release it under the Apache 2.0 or similar open-source license. Philosophically, many project leaders are opposed to the very idea of intellectual property ownership such as patents. However, it is important to understand that it is not just lawyers who have a stake in the patent troll fight. Developers, inventors and software engineers are already adversely impacted by frivolous litigation,” said Jed Grant, CEO of Peer Mountain. He continued, “When we create a piece of intellectual property that is used in a contentious lawsuit whose underlying purpose is not to protect innovation, but to make money, it risks harming our individual reputations and the community as a whole. LOT Network neutralizes that risk. That is one of the reasons Peer Mountain joined.”

Even as patent applications related to blockchain technology are filed throughout the world at a tremendous rate, many organizations in the space previously assumed that they were immune to patent troll litigation. However, the reality is that startups and small companies are softest targets for patent trolls—50% of all companies sued by trolls make less than $10 million per year—and more than 50% of all patent lawsuits concern software patents. Today’s announcement shows blockchain companies are awakening to their risk profiles. Peer Mountain, MARKNetwork, Inc. and IBISA realize that startups in the blockchain space need a defensive patent strategy or they remain vulnerable to potential threats.

Together LOT members, large and small, have entered into a legal agreement that if their patents fall into the hands of a PAE, the other members of the community gain a free license to use the technology. That means that a PAE can no longer use that patent to sue any company that’s a member of the network. With hundreds of companies joining together, so far they are protected from litigation from more than 1.6M patents. With more joining all the time, LOT Network’s position is constantly strengthened. Members recognize that the patent
system was developed to protect innovation, and patents provide powerful rights, regardless of whose hands they are in. LOT Network’s community wants a strong patent system, but have mutually agreed to work together to immunize themselves from the costs of PAEs.

About LOT Network:

LOT Network Inc. is a non-profit community of companies protecting its members from costly Patent Assertion Entity (PAE) litigation. LOT Network members can be permanently immunized to more than 1.6M worldwide patents and counting. LOT Network members include market leaders such as JP Morgan Chase, Ford, Microsoft, Tesla, Alibaba, GM, etc. as well as smaller companies across industries. Please visit http://www.lotnet.com to learn more.
Contact Information
Meaghan Shields
Render Strategies
+1 (617) 529-6357

Online Web 2.0 Version
You can read the online version of this press release here.