



# Patent Infringement Insurance

## Frequently Asked Questions

### What is this insurance?

Patent insurance is a solution designed to minimize the costs and operational burden of patent litigation.

### What does this insurance cover?

It covers litigation costs and settlement payments associated with patent infringement litigation in the United States. The clear majority of patent infringement risk is in the US.

**A solution for every level of patent risk:**

- Emerging Risk – designed for early-stage companies that are just starting to face patent risk
- Standard Risk - for established companies with a history of patent litigation or threats
- Volatility Risk - coverage for companies with variable patent risk
- Indemnification – allows technology providers to extend coverage to customers

### How is this policy better than other options in the marketplace?

The policy goes above and beyond traditional patent insurance by focusing on anticipating, mitigating, or completely avoiding litigation when possible. It is backed by a team of patent experts, a proprietary patent litigation database, and patent market intelligence. The risk management services provided with this insurance have saved clients an average of 60% of out-of-pocket costs and 50% of time in litigation to date. No other patent insurance provider can offer this. The policy is highly specific to the business, and coverage for customers and clients is available. Furthermore, it provides reimbursement of both legal and settlement costs involving patent cases.

### Isn't this already covered under general liability insurance plans?

Probably not. Intellectual property claims don't generally fall into the CGL model. Unfortunately, most business insurance purchasers don't realize that patent infringement is a very real risk today.

### Are businesses required to carry this coverage?

It is not required, but it's a smart business decision. However, more and more customers are requiring their suppliers to carry insurance for patent infringement.

### Who needs this coverage?

Any business that owns, makes, uses or sells technology-based products. Not only makers of technology are at risk of patent infringement. Companies who use technology in their business are frequent targets of patent litigation, even if they don't make or sell it. Patent holders will point to the significant value created by the use of the patented technology, and may hope for less experienced defendants when suing the technology maker.

### What is the cost of not buying the coverage?

Patent litigation can take years to resolve and cost a business millions of dollars. For those not prepared, the financial damages can be severe. Intellectual Property attorneys are among the most expensive of all lawyers, with hourly rates often reaching high three figures.

### Is the form admitted or non-admitted and who is the insurance carrier?

The form is non-admitted and Great American E&S Insurance Company, an A+ rated domestic partner, is the insurance carrier. The program manager is RPX Insurance Services.

### Who do I contact for questions related to this coverage?

Your RPS Product Expert will be happy to provide additional insight.