



Eagle Harbor Holdings Files Amicus Brief in U.S. Supreme Court

Bainbridge Island, WA, --- March 23, 2011 --- Eagle Harbor Holdings (EHH), LLC announced today that the company's engineering and legal staff filed an amicus (or "friend of the court") brief in the matter of *Microsoft Corporation vs. i4i Limited Partnership*. The question before the Court is whether the standard of proof required to invalidate a patent should be lowered dramatically. Presently, to invalidate a patent, it takes "clear and convincing" evidence. This standard holds large tech companies to a higher degree of ethics because it is hard to prove a patent is invalid. Microsoft is urging the Supreme Court to change that long-established standard to a mere "preponderance" of the evidence, meaning that if the scales are balanced 50-50 for "valid vs. invalid", proving patent invalidity takes only an additional feather's weight of evidence to tip the scales in favor of the accused willful infringer, i.e. the large tech company. This would make it comparatively easy for companies like Microsoft to annihilate the hard work and innovation of the small inventor.

EHH has spent the past decade developing and filing patents related to technology that is now beginning to surface in the automotive infotainment sector, as one sector example the company embraces.

Jeff Harmes, EHH general counsel, stated: "It is common practice for large technology companies to make calculated business decisions to willfully infringe patents, because the likelihood of getting caught and forced to pay is relatively low. If this willful infringement

continues it will have a devastating effect on technology companies like Eagle Harbor Holdings, ultimately quashing the foundation of American innovation."

Dan Preston, EHH founder and CEO, stated: "Despite being a start-up company, EHH has been developing its patent portfolio for over a decade. Now we're on the threshold of commercializing our intellectual property, and we are projecting the creation of as many as 250 new jobs over the next 24 months. However, to do so we must continue to raise millions in operating capital based on the strength and stability of our patents. To discard the 28-year-old standard of proof by clear and convincing evidence – thus making it easier for infringers to infringe – would greatly reduce the strength of our patent portfolio and diminish our ability to raise capital to continue the innovation and job growth at our company."

Appellate specialist Kathryn Karcher was lead author of the brief and is EHH's counsel of record in the Supreme Court. Ms. Karcher stated: "Our brief argues that lowering the standard for proving patent invalidity will remove much of the incentive that small inventors (including startups like EHH) have to innovate, and will result in far more aggressive willful patent infringement by the likes of Microsoft and other mega-corporations."

View the EHH amicus brief here:

<http://www.ehhllc.com/ehh/downloads/ab.pdf>

More info at <http://www.ehhllc.com>