

**James Bessan, Michael Meurer, The Direct Costs from NPE Disputes, Cornell Law Review, January 2014, vol. 99**

Using a survey of defendants and a database of litigation, this paper estimates the direct costs to defendants arising from NPE patent assertions and finds that firms accrued \$29 billion of direct costs in 2011. Although large firms accrued over half of the direct costs, most of the defendants were small or medium-sized firms. Moreover, an examination of publicly listed NPEs indicates that little of the direct costs represents a transfer to small inventors.