

What Can An *Intellectual Property Investment Bank* Do For You?

Bring the true value of your IP to the bottom line...

Inflexion Point represents technology companies and institutional investors in buying, selling, and investing in intellectual property assets—including patent portfolios, related know-how & exclusive field-of-use rights—and operating businesses for which IP is critically important. We monetize the unrealized value in these IP assets by generating additional licensing revenue, building a defensive shield against litigious competitors, and increasing corporate valuation in M&A transactions.

Intellectual Property Investment Banking: Our business model is based on the premise that IP is no longer viewed merely as a bundle of legal rights to be enforced or licensed. IP has now become a commercial asset class like real property or corporate securities. This transition has opened up a range of value enhancement opportunities based on adaptation of the models that have been used with more traditional asset classes.

Value Proposition: It's widely recognized that 80% or more of the market value of technology companies consists of intangible assets. This "intellectual capital" includes both intellectual property rights—patents, trademarks, copyrights, and trade secrets—and less defined assets such as customer loyalty, inter-company relationships, company know-how and undocumented inventions in employee minds.

Our experience is that many companies pay far too little attention to the IP-related components of corporate value because IP

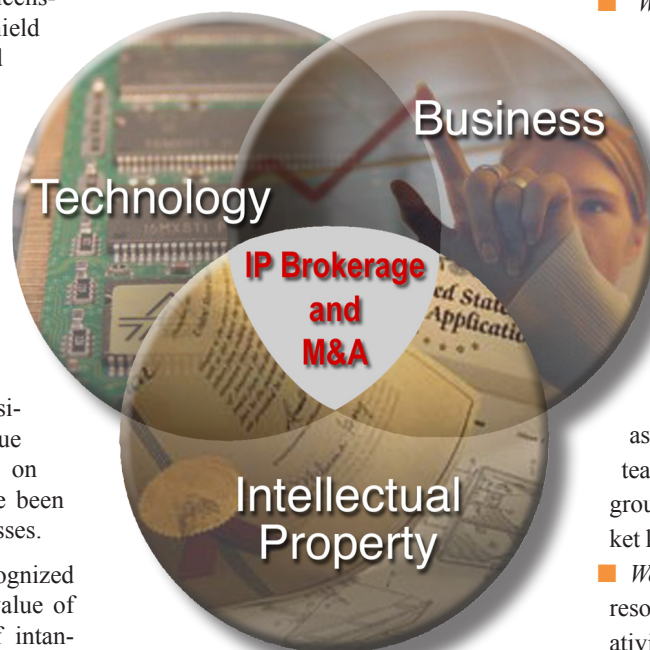
is viewed as too abstract, complex, and/or unquantifiable to be included in the value calculus of business transactions.

We disagree. In a knowledge-based economy, innovative technology creates competitive advantage in the form of lead time or first mover advantage; but a strong IP position creates *sustainable* competitive advantage. However, because the traditional accounting-based value metrics such as

IP-driven M&A advisory services, we provide deal support by assembling and managing teams of technical experts, market analysts, and patent research specialists to meet the special project needs of our client engagements.

Distinctive Competence: Our team members all have had hands-on experience in commercializing technology and monetizing the value of the associated IP.

- *We know IP.* We have handled the IP aspects of over \$50 billion worth of high tech joint ventures, mergers, acquisitions, divestitures and investments.
- *We're connected.* We have an extensive network of high-level contacts in the largest technology companies in Silicon Valley, across the US, and around the world.
- *We're focused.* We quickly assemble a highly customized deal team with the right technical background, industry experience, and market knowledge.
- *We're flexible.* We are an outside resource that can bring experience, creativity, analysis, and visualization tools to any IP project based on the breadth and scope of the assignment.



EBITDA, free cash flow and various other multiples and ratios based on historical data simply don't apply to IP, a substantial value component is often left on the table in corporate transactions.

Structured For Results: Inflexion Point provides a full range of intellectual property investment banking services. As part of our patent brokerage and

Inflexion Point[®]
New Directions in IP Strategy

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