

SURVEY & COMPARISON OF ESTABLISHED AND EMERGING IP BUSINESS MODELS

Ron Laurie
Managing Director
Inflexion Point Strategy, LLC
www.ip-strategy.com

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Inflexion Point[®]
○ New Directions in IP Strategy

ESTABLISHED IP BUSINESS MODELS - *Overview*

- Market Makers & Transaction Intermediaries
- Enforcers and Litigation Financiers
- Institutional Aggregators/Investors
- IP Product Companies
- Analytics Toolmakers & Service Providers

ESTABLISHED IP BUSINESS MODELS - *Market Makers & Transaction Intermediaries*

- Licensing Specialists
 - Corporate Licensing Spin-Outs (e.g., AT&T KV, BIPCO, Philips IPS)
 - University Tech Transfer Agents (e.g., Univ.TLO's, BTG, UTEK, Texelerate)
 - Independent Licensing Agents
(e.g., General Patent, IPAC, IP Finance, IP Value, Lava, Thinkfire)
- On-line Exchanges/Bulletin Boards (e.g., InnoCentive, NineSigma, Open IP.org, The Dean's List, Tynax, Yet2.com, Virtual Ventures)
- Brokers (e.g., Bramson, Fairfield, Iceberg, Inflexion Point, IPB AG, IPEG BV, iPotential, PCT Capital, Pluritas, Semicon Insights, Sherwood)
Note: some ILAs and Exchanges have expanded their services to include brokerage (e.g., IP Value, Lava, ThinkFire, Yet2.com)
- Auction Houses (e.g., Ocean Tomo, IPA GmbH, IP Auctions)
- IP-Driven M&A Advisors (e.g., Inflexion Point, Ocean Tomo, PCT Capital, Pluritas)
- IP-Backed Finance
 - Royalty Stream Securitization (e.g., AllseT IP, UCC Capital)
 - IP-Collateralized Lending (ABL) (e.g., OceanTomo/Perot, Paradox)

ESTABLISHED IP BUSINESS MODELS - *Enforcers & Litigation Financiers*

- Single Inventor Assertion Firms
e.g., NTP, RAKL (Ron Katz), Lelmelson Fdn., LPL, Patriot/TPL, Ferguson
- Patent Licensing & Enforcement Companies (PLECs)
e.g., Acacia, TechSearch/Niro, Plutus, C2-GTI, (Refac)

Note: there is some overlap between this category and the Institutional Aggregators and Licensing Agents.

- Litigation Financiers/Investors
e.g., Altitude, Rembrandt, NW Patent Funding, Oasis

Note: models include equity investment, debt financing, and buy-out.

Established IP Business Models - *Institutional Aggregators and Investors*

Institutional Patent Aggregators

- Strategic (i.e., Corporate) Investors

Intellectual Ventures (US)

- Financial Investors

Coller IP Capital (UK)

Established IP Business Models - *IP "Product" Companies*

- IP/Technology Development Companies, e.g.,
 - AmberWave
 - ARM
 - InterDigital
 - MIPS
 - Mosaid
 - Qualcomm (?)
 - Rambus
 - Tessera
 - WiLan
 - etc.

Note: these companies may utilize a revenue model based on

- technology transfer (design info, process know-how, and consulting)
- patent enforcement, or
- both

ESTABLISHED IP BUSINESS MODELS - *Analytics: Toolmakers & Service Providers*

- Patent Rating Services and IP Analysis Software, e.g.,

Anagua

1790 Analytics

IP Checkups

Intellectual Assets

Innovation International

Patent Ratings (Ocean Tomo)

Patent Cafe

TAEUS

The Patent Board

TOPCAP

- Valuation Specialists, e.g.,

Conсор

CRA Intl (Intecap)

Hagelin

ICMG

LECG

NERA

EMERGING IP BUSINESS MODELS

- IP-Based Corporate Spin-Outs
e.g., Analytic Capital, Blueprint Ventures, igniteIP, Inflexion Point, IP Group plc, New Venture Partners
- Patent-Based Public Stock Indexes
e.g., OT 300 Index, Patent Board WSJ Scorecard
- Defensive Patent Pools, Funds and Alliances
e.g., Constellation Capital, Open Invention Network,
- IP Transaction Best Practices Development Community
Gathering2.0

EMERGING IP BUSINESS MODELS

The BIG Question --

What effect (if any) will the changing legal environment have on the various IP business models, individually and collectively?

Patent reform initiatives in Congress, e.g., damages allocation

Supreme Court cases, e.g., eBay, KSR, Medimmune, LG/Quanta

New PTO examination rules - claim limitations, IDS, continuation practice, obviousness guidelines, etc.