



Intellectual Asset Management

IP Strategy and Monetization

CME-STEP Export Insight Series

March 9th and 10th, 2015

Peter Cowan, P.Eng, MBA
Principal Consultant
peter@ipstrategy.ca
ipstrategy.ca



AGENDA

1) IAM Thinking

- › Strategy Foundations
- › Patent Equality & Licensing
- › Patent Engine

2) Patents to Monetization

- › Business Drivers
- › License program methodology
- › Non-Practicing Entities

3) Discussion on key actions

IAM THINKING



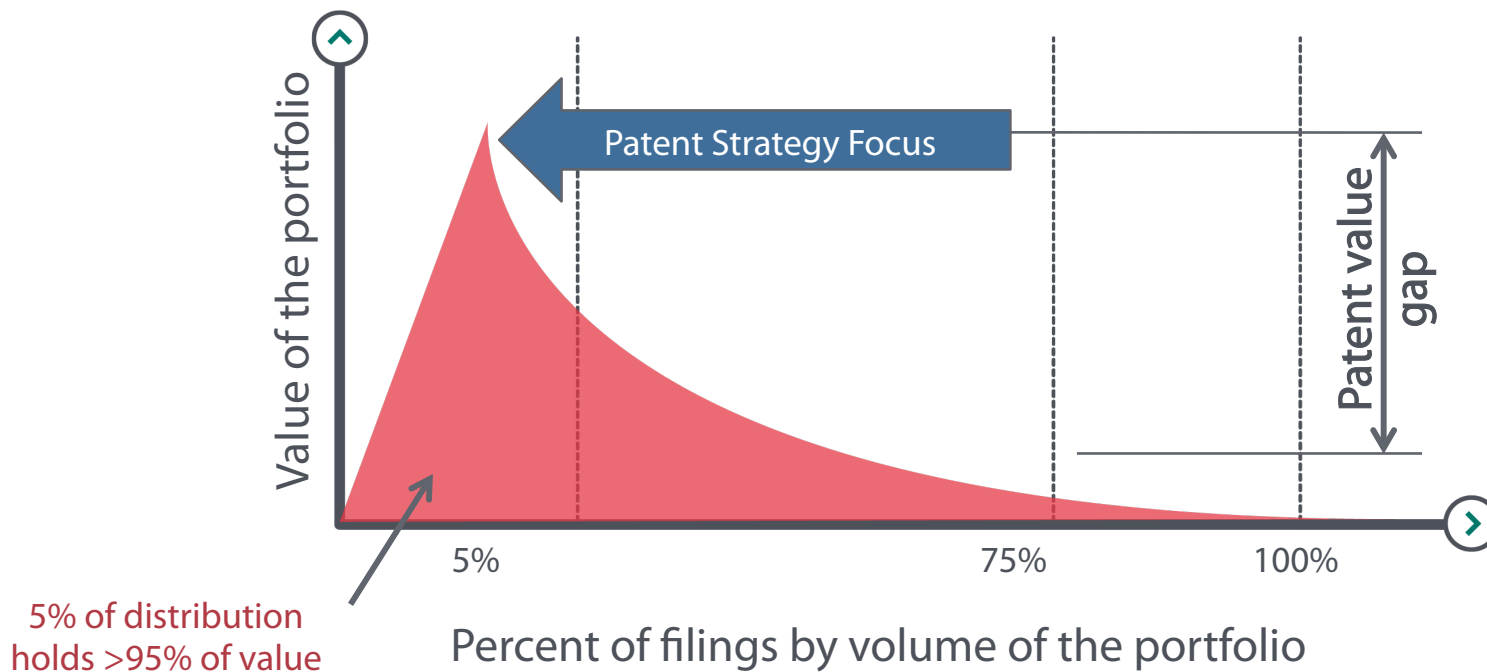
STRATEGY

STRATEGY FUNDAMENTALS
PATENT EQUALITY AND LICENCING
PATENT ENGINE



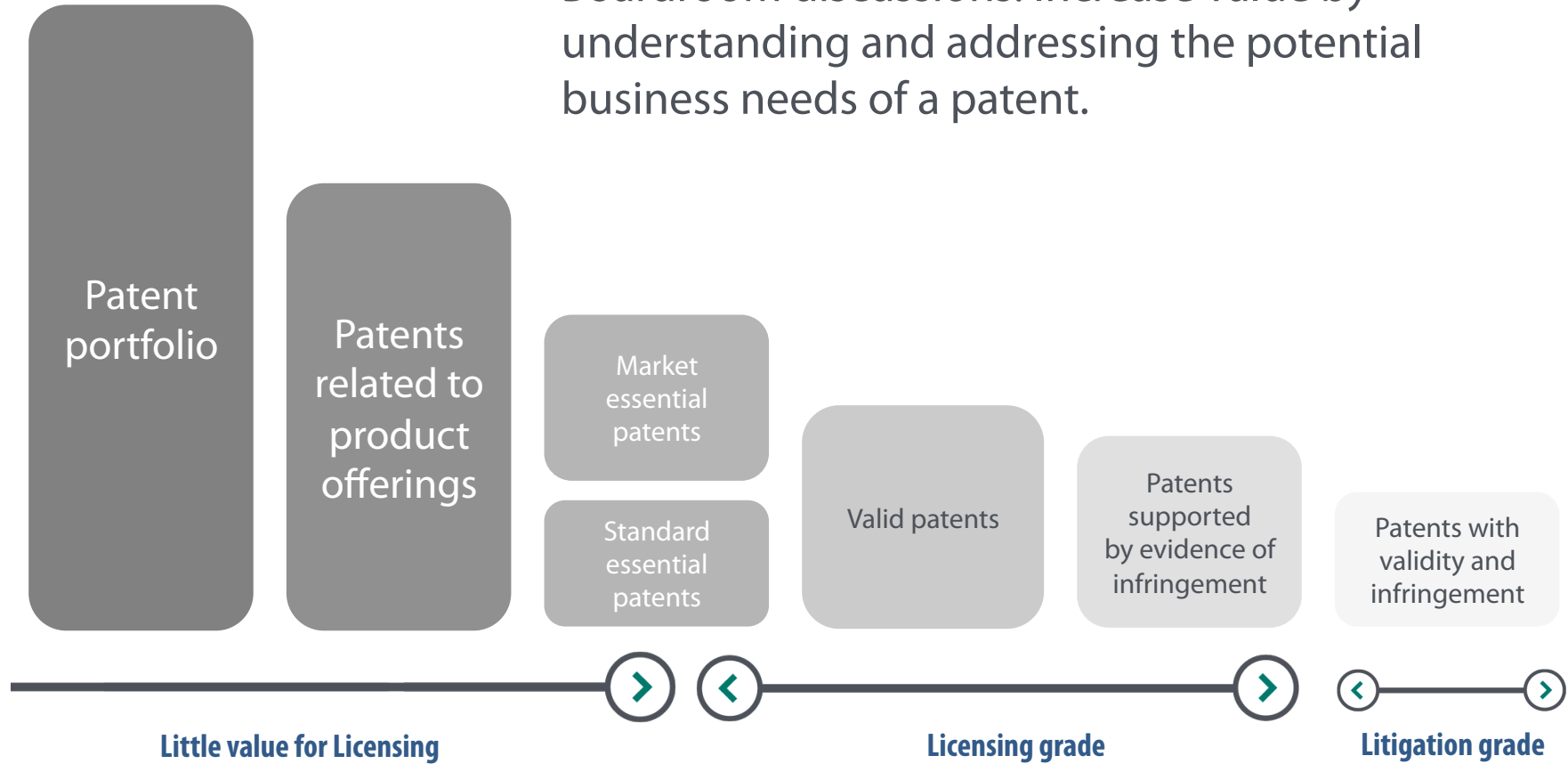
PATENT EQUALITY

Setting a good foundation: Why yesterdays patent strategy will support tomorrow license plans.



PATENT EQUALITY

Boardroom discussions: Increase value by understanding and addressing the potential business needs of a patent.



VENTURE VARIABLES

- › SME vs. MNE
- › Industry incumbents
- › Territory and geography
- › Emerging and mature markets
- › Technology development pace
- › Patent Value = Strength x Business x Time x Abilities

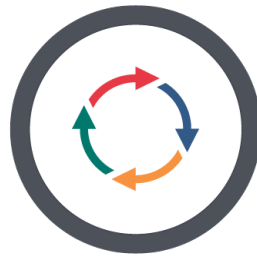
where Strength = Breadth x Detectability x Legal

IP FUNDAMENTALS

Three main components enable scalable and long term success of an IP program:



STRATEGY



PROCESS



PEOPLE

Why? Strategy defines and leads to license opportunities.

IAM MONETIZATION



BUSINESS DRIVERS & LICENSE PROGRAM METHODOLOGY
NON-PRACTICING ENTITIES



BUSINESS & LICENCING

- › Internal Business – what is the intent?
 - › Variables around exclusivity, territories, indemnification, right of enforcements, royalty structures, management of costs, etc...
- › Dealflow - connecting buyers and sellers
- › NPE's as a case study – from patents to revenue

NPE IMPACTS

- › Role of NPE and impact on the license environment
- › NPE Trends: Flexibility, Opportunity, People
- › Active NPE and license dealmaker views

SME LICENCING QUOTES

"The dilemma is this: If the portfolio is not open the families are hardened cement, and cannot be shaped. Licensing the after-effect limits the commercial value analysis.

The patents lead the process, so it becomes about quality IP and a business approach, but with the intent to litigate if needed.

SME's need to collaborate more to give prosecution counsel a better picture of the market, otherwise they may prosecute in a vacuum.

I look for families we can reshape to help match the licensing program, otherwise it becomes a 'joint venture or cross-license for value' exercise.

KEY ACTIONS

Understand the business position

- › What is your actual environment?
 - › Patent quality, pace, license options
 - › Timing of filing strategy and license plans vs. portfolio.
 - › IP Intelligence vs. IP Data vs. IP Metrics
- › What are objectives and resources?
 - › Plans: Offensive, Cross-license, Monetization, etc.?
 - › Business: People / Process / Strategy to succeed?
 - › IP Audit: Does what you have match anything?
 - › Portfolio: Open families to adjust, etc.?

KEY ACTIONS



> Understand the business × patent position

> Realistic risk formula

$$\begin{array}{l} \text{Licensing Opportunity} \\ \text{Addressable Market} \\ \text{Geographical Scope} \end{array} \times \begin{array}{l} \text{Patents:} \\ \text{Volume of patents} \\ \text{Quality of patents} \end{array} \times \begin{array}{l} \text{IP Strategy:} \\ \text{Future Extensions} \\ \text{Portfolio coverage} \end{array}$$

> Decision is about risk tolerance and adjusted expectations

> License Program

Thank you

Peter Cowan, P.Eng, MBA
Principal Consultant
peter@ipstrategy.ca
ipstrategy.ca

