

# ~~Examining Intel's Blockbuster Patent Auction~~

# Examining Apple's Blockbuster Purchase of Intel's Assets

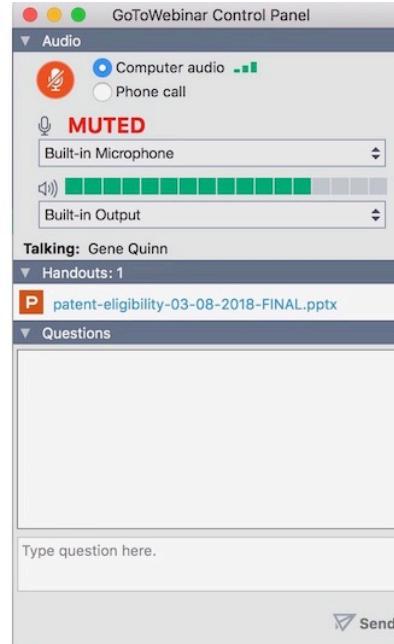
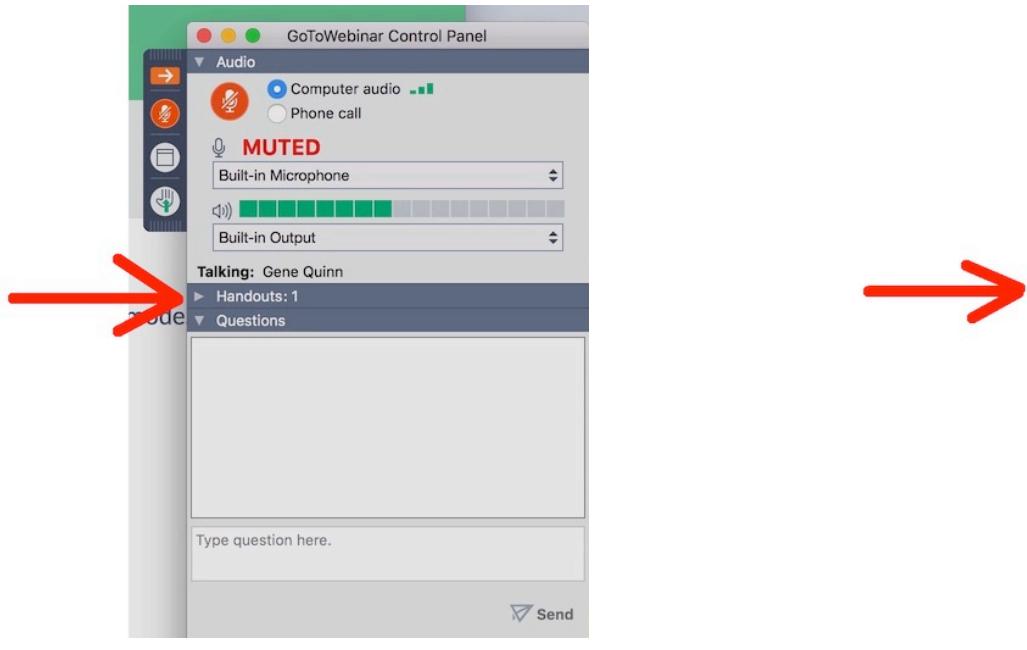
July 30, 2019



# Accessing the Slides



PatentSight



# Presenters



**Gene Quinn**  
President & CEO  
IPWatchdog, Inc.



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Head of Consulting & Customer  
Success at PatentSight –  
A LexisNexis Company



**Kim Chotkowski**  
Vice President, Head of  
Licensing Strategy and  
Operations at InterDigital, Inc.



Welcome



Start

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Custom Analysis



Smart Reports



Similarity Search



Legal status

**//CODiE//**

**2019 SIIA CODiE WINNER**

# AGENDA



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Earlier this summer, Intel announced that some 8,500 patent assets (i.e., issued patents and pending patent applications) would be auctioned. Approximately 6,000 assets related to 3G, 4G, and 5G cellular standards, while 1,700 assets relate to wireless implementation of cellular standards.

Shortly after the Intel patent assets being announced as available for sale, Intel abruptly took the assets off the market in favor of negotiating with a single interested suitor. Very quickly news broke that the negotiations with that unidentified suitor were quite advanced, suggesting that the Intel auction announcement was nothing more than a negotiating ploy.

It has recently come to light that the unidentified suitor for the Intel patent assets was none other than Apple, just as IAM has predicted in its initial reporting.

We now know that Apple will buy the majority of Intel's Modem business, including the patent assets, for \$1 billion.

Today, we will discuss the Intel patent assets, the strength of the Intel patent portfolio and what this deal will mean for the 5G landscape.

# What Portfolio is Intel selling?



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<https://www.iam-media.com/frandsps/exclusive-intel-launches-blockbuster-auction-its-mobile-portfolio>



25 Jun  
2019

Exclusive: Intel launches blockbuster auction  
for its mobile portfolio

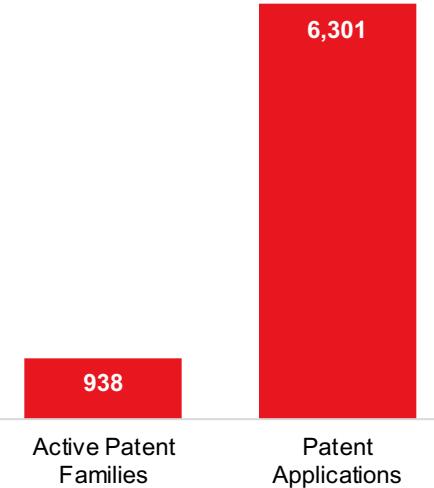
In what looks set to become one of the highest profile patent sales in years, Intel has put its IP relating to cellular wireless connectivity on the auction block. The company is seeking to divest around 8,500 assets from its massive portfolio.

The news comes as the chip giant searches for a buyer for its 5G smartphone modem business having announced in April that it was pulling out of the market. That was after as it had become increasingly clear that the company, which has been the supplier of 4G modem chips to Apple for the last few years, was struggling to release a 5G product even though the rollout of the next generation of mobile technology is well underway.

The auction offering is comprised of two parts: the cellular portfolio and a connected device portfolio. The former includes approximately 6,000 patent assets related to 3G, 4G and 5G cellular standards and an additional 1,700 assets that read on wireless implementation technologies. The latter is made up of 500 patents with broad applicability across the semiconductor and electronics industries. Although that represents a large portion of Intel's cellular IP it is understood that it will retain significant wireless assets.

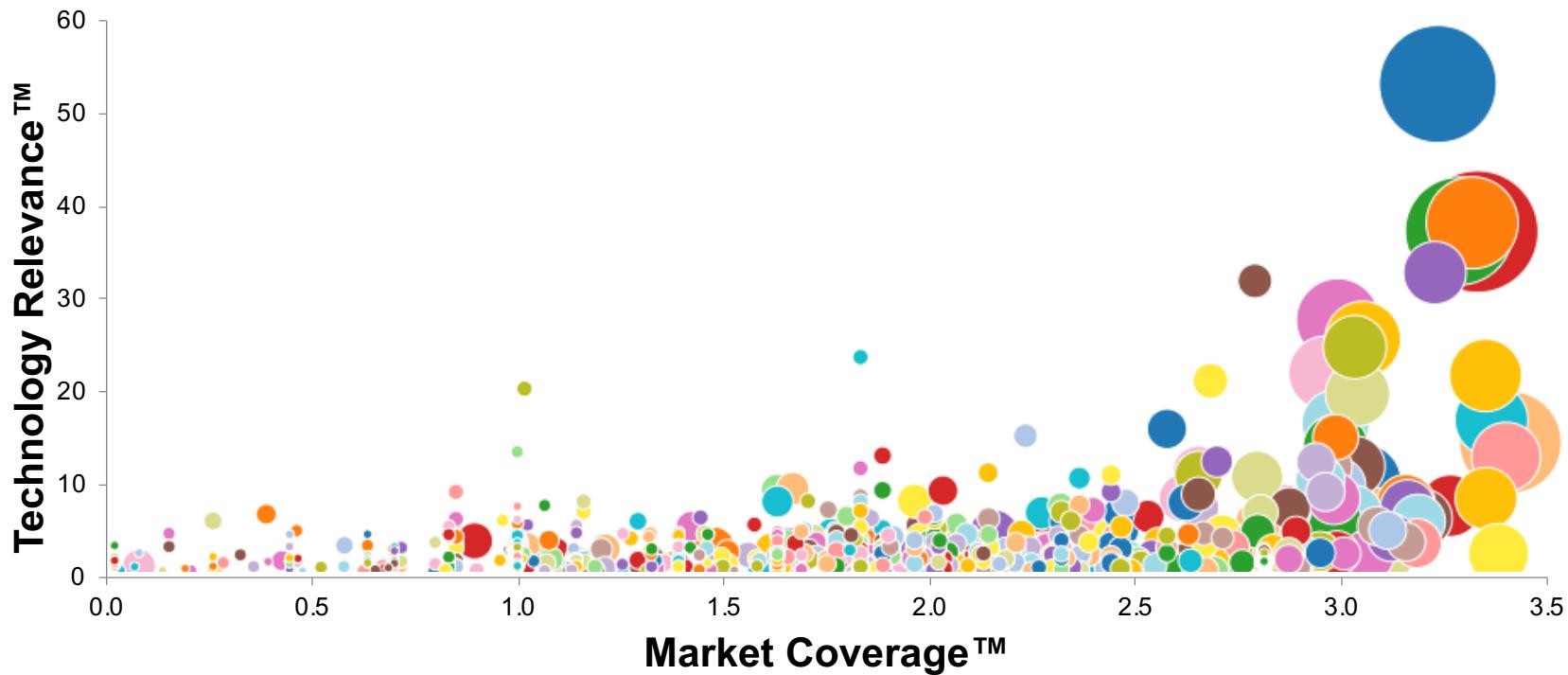


A GLOBAL INITIATIVE



**Intel's Active Portfolio  
with ETSI declaration**

# Inside the Intel ETSI standard portfolio



# Intel's filing strategy

## Example

Provisional Application: 61/707,784

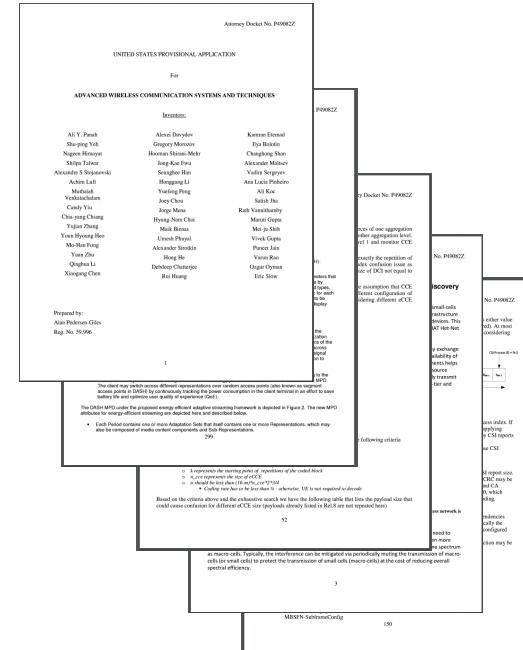
# ADVANCED WIRELESS COMMUNICATION SYSTEMS AND TECHNIQUES

## WHAT IS CLAIMED:

1. A method of communication in a wireless network as shown and described herein.
2. A system for providing wireless communication as shown and described herein.
3. A device for providing wireless communication as shown and described herein.

+ 314 page specification

→ 46 following US applications

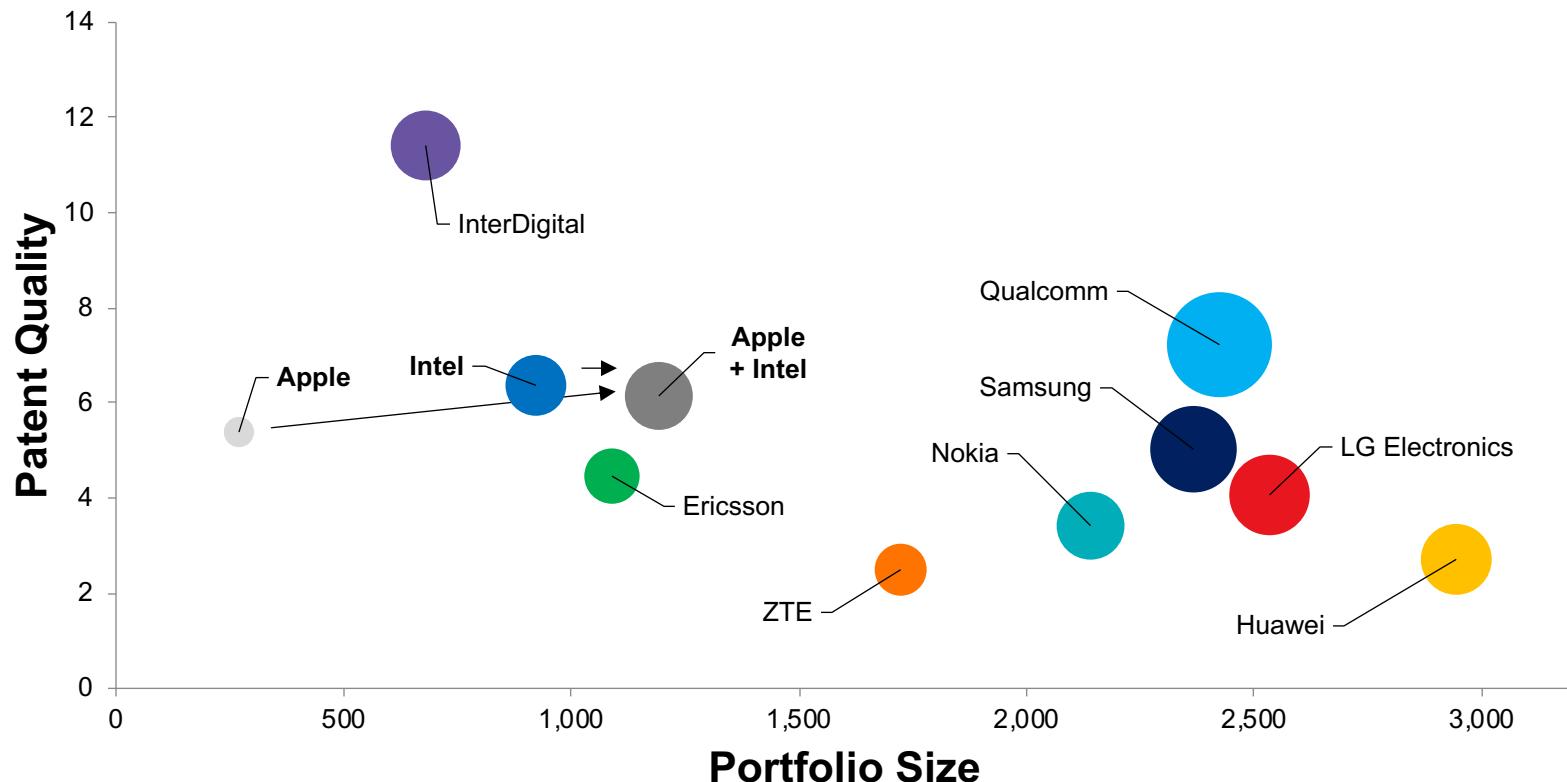


# Competitive Position



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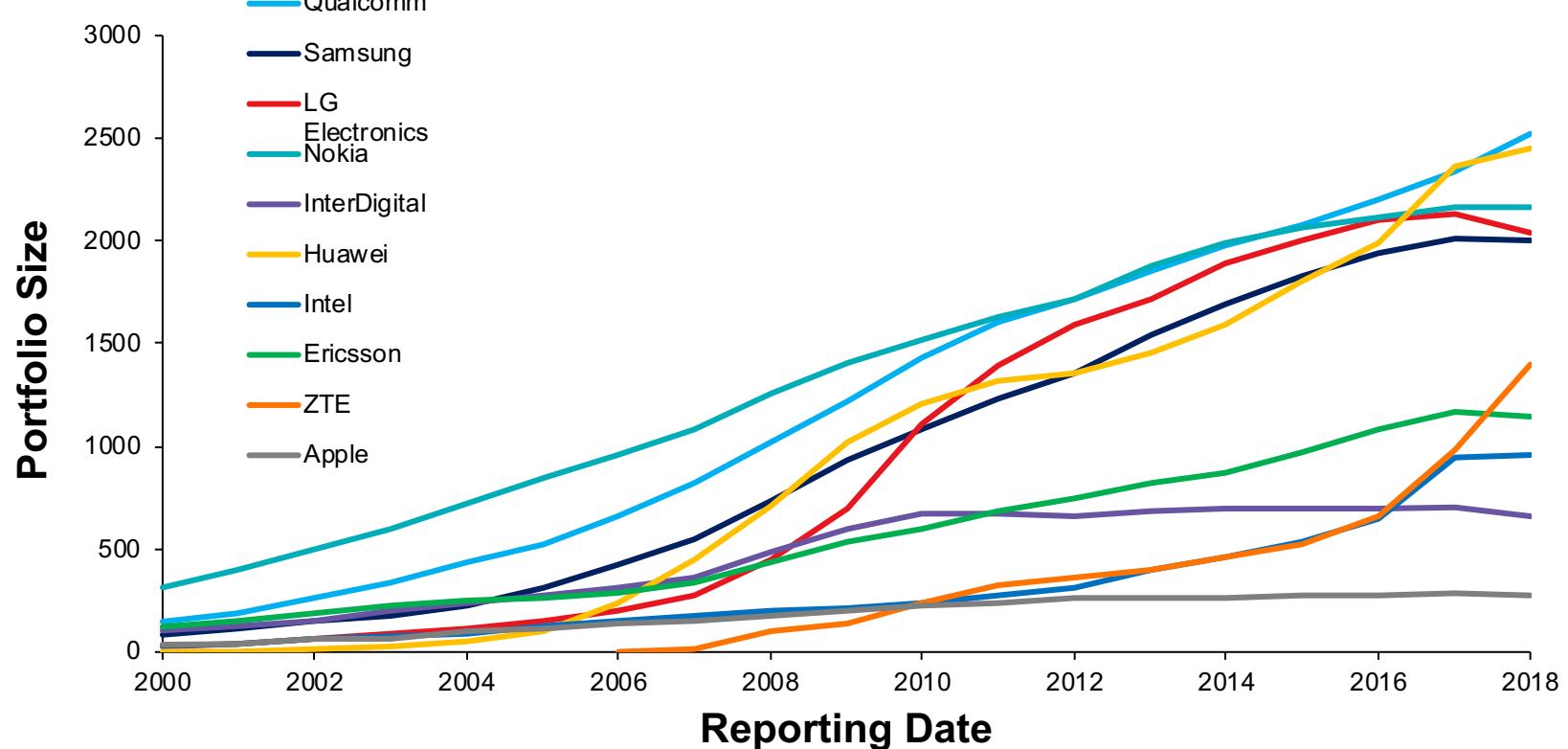


# Competitive Development



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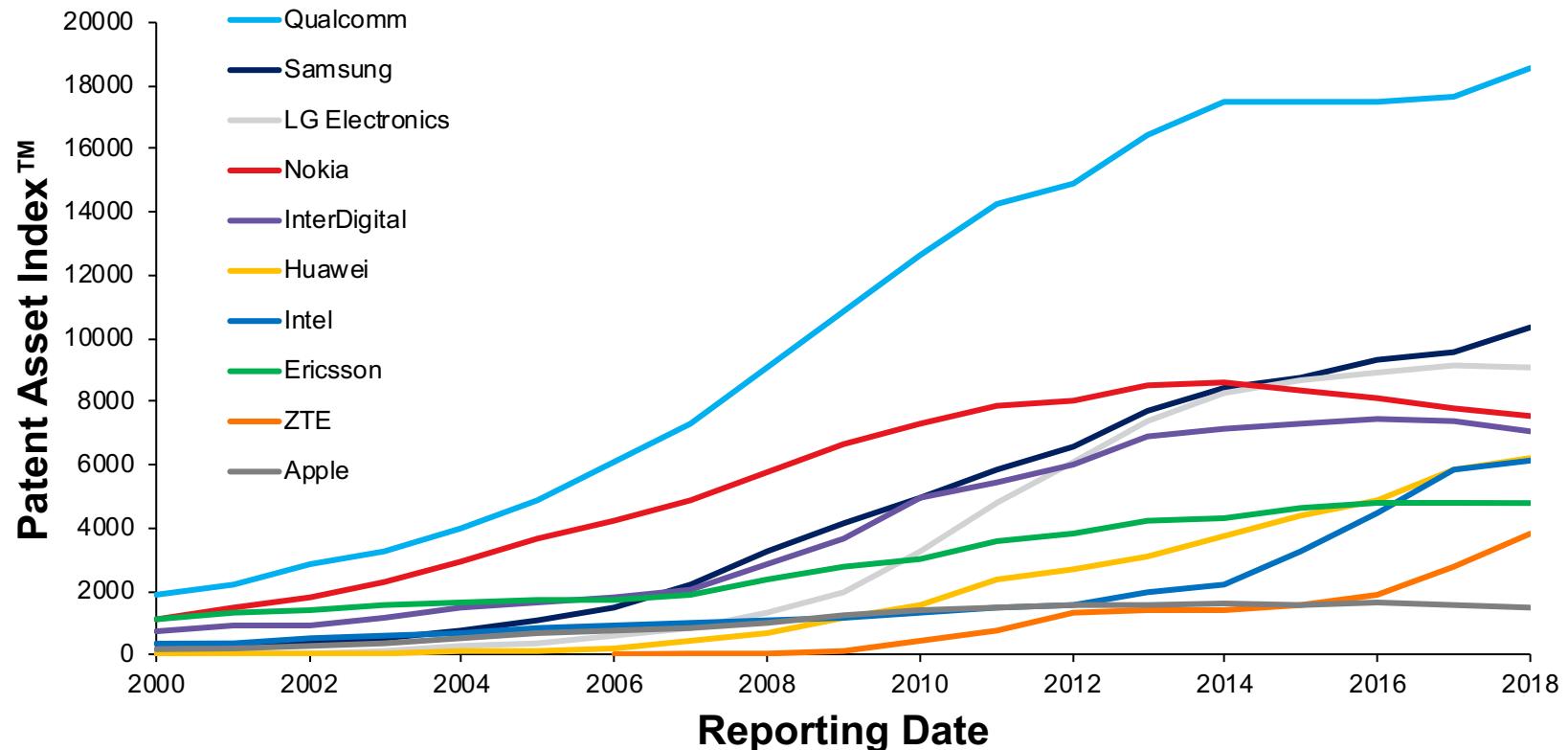


# Competitive Development

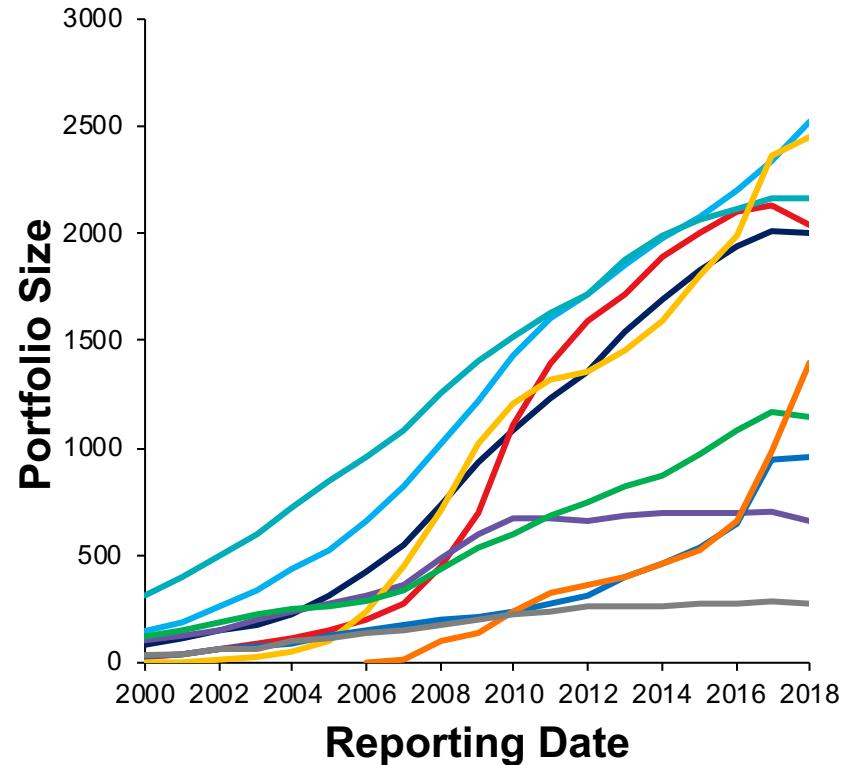
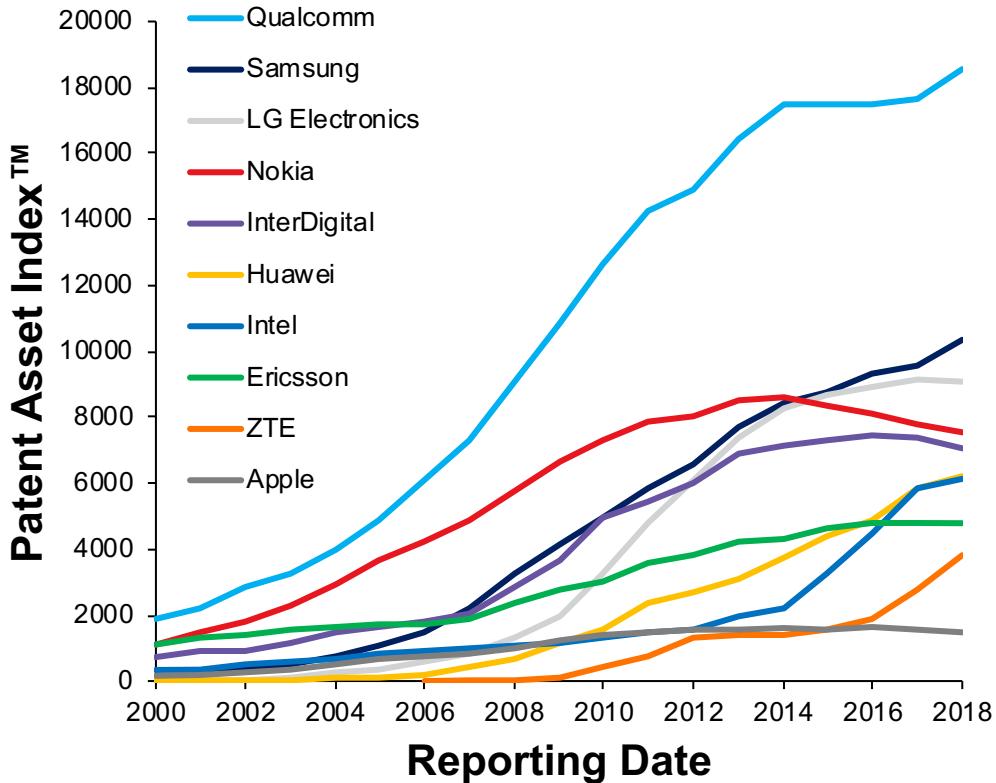


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# Competitive Development

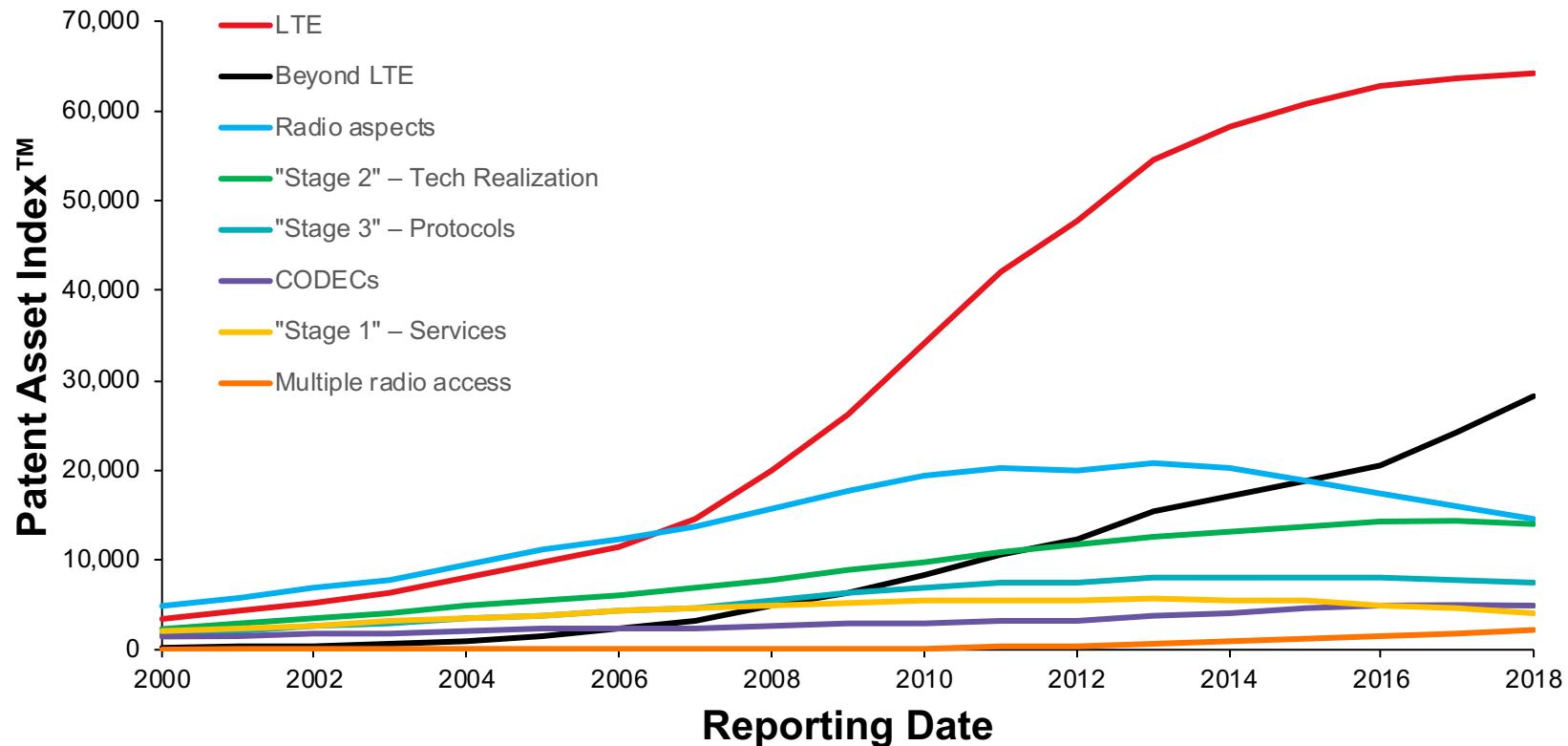


# Technological Development

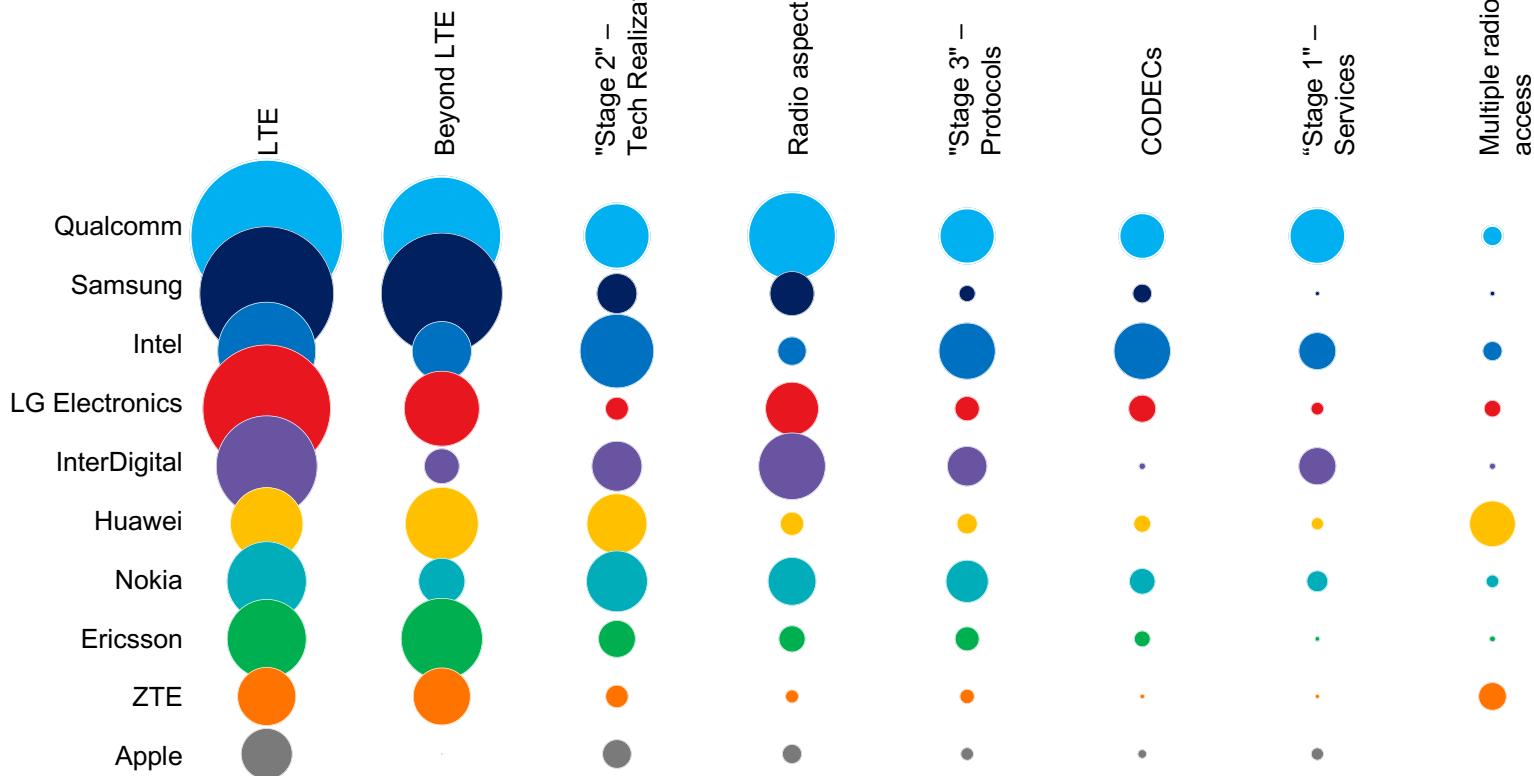


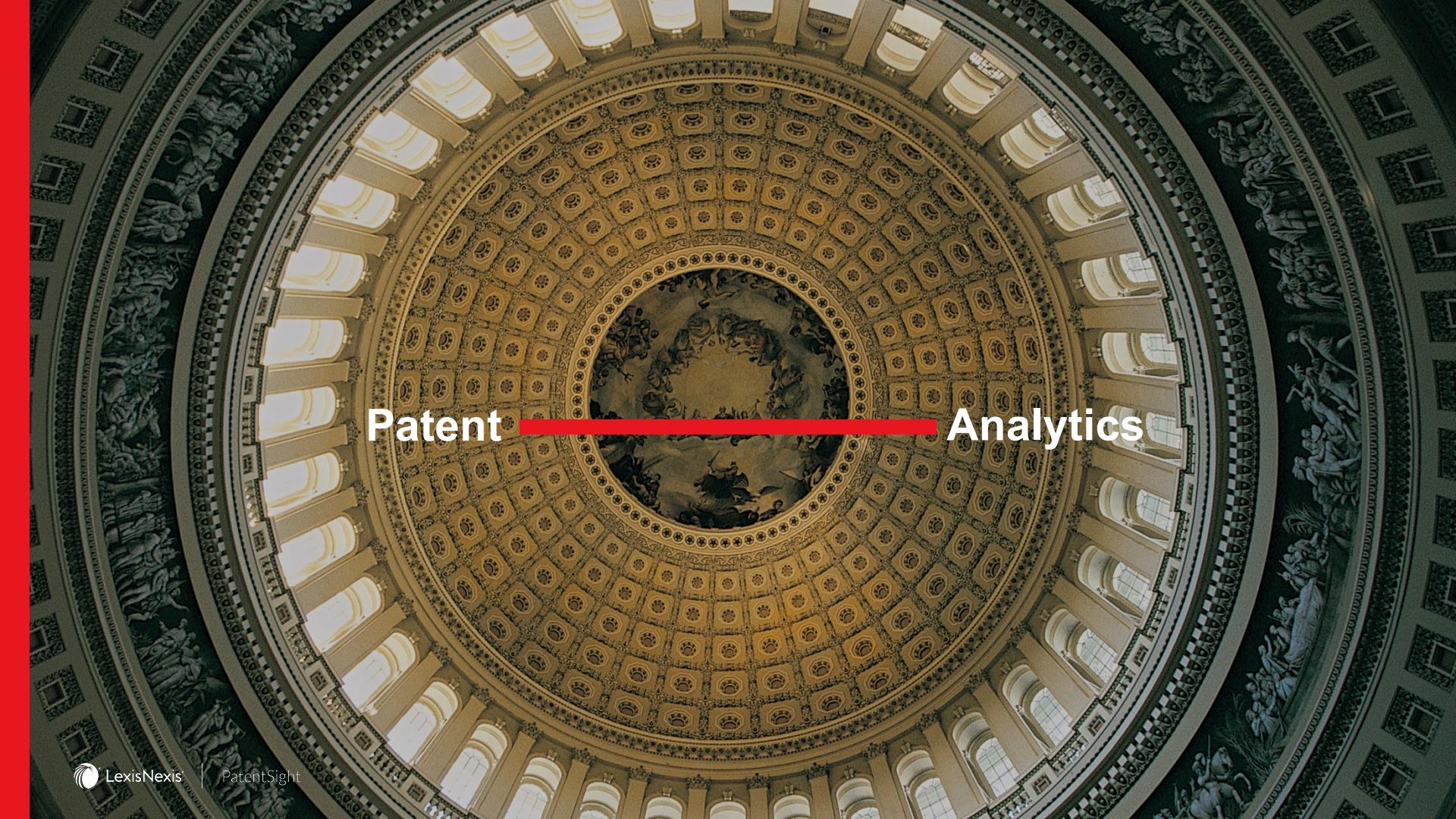
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# Subject by Owner



The background image is a photograph of the interior of the US Capitol Rotunda in Washington, DC. It features a large, ornate dome with a central fresco of George Washington on horseback. The dome is surrounded by a series of arches and a decorative ceiling. The image is slightly dark, creating a dramatic effect for the overlaid text.

# Patent   Analytics

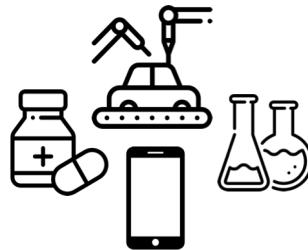
# Why patent analytics matter

Challenge: how to identify key patents and the companies that are currently owning them?

## Key patent on relevant technology



## Commercially successful product



## High revenues and increase in stock price



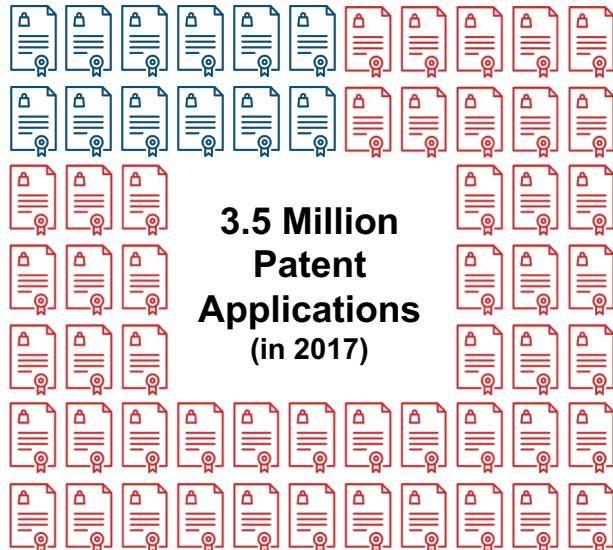
A patent entitles its owner the right to exclude others from making, using or selling an invention for a limited period of time

Patent-protected products can be sold exclusively for up to 20 years

Being able to sell relevant products exclusively maximizes revenues and can impact stock performance

# How PatentSight handles the sheer data masses

A new approach is required to efficiently identify key patents in the big data haystack



About 80% of all patents have **no** commercial value

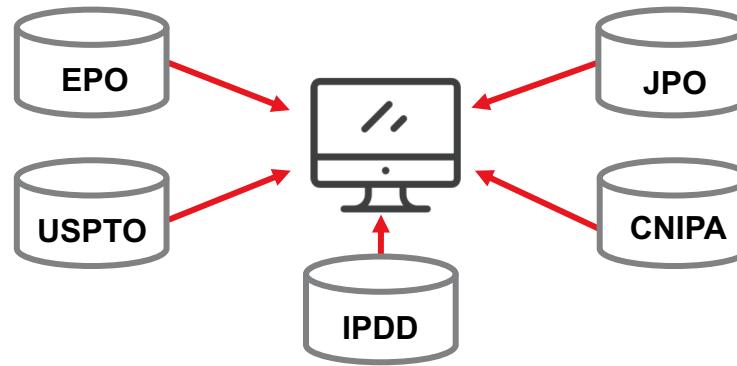
## Global R&D Expenditures 2017



2.2 Trillion USD

# PatentSight overcomes problems of insufficient data quality

**Patent data is public and can be sourced from various patent offices worldwide.**



## Incomplete ownership information

Patents are filed by applicants; in the US, this is usually a private person (inventor) -> no direct information which company is currently owning the patent

## Ambiguous legal status information

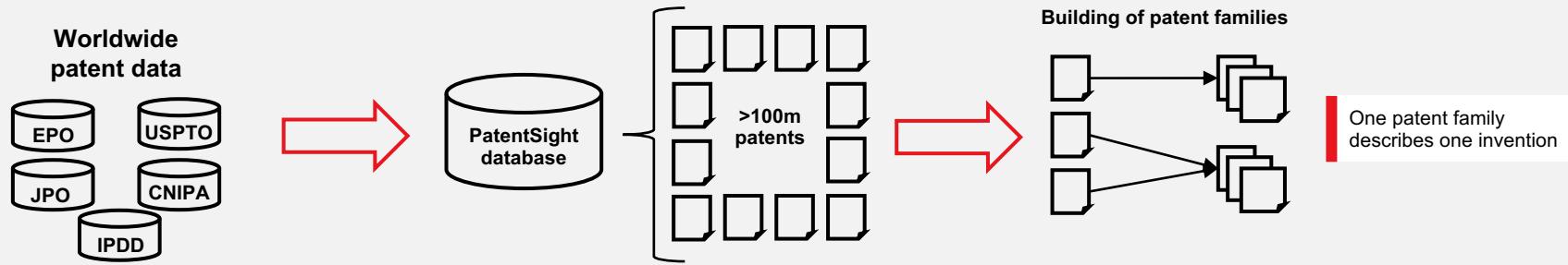
Patents have lifetime of 20 years; in this time, companies can sell business divisions or get acquired -> no complete tracking of assignments and information about remaining lifetime

## Errors: Wrong translation & misspellings

Applicant names are often misspelled; especially in data from Asian patent offices -> matching of patent data without structured research is basically impossible

# We collect, clean and...

## Working process I

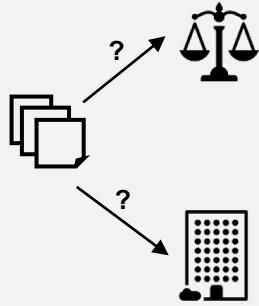


# ...enhance patent data

## Working process II

Check for legal status & ownership

Check for validity and remaining lifetime



Ultimate owner concept:  
See who has commercial power over the innovation!

### Evaluation of patent families

by a unique algorithm based on two newly developed KPIs

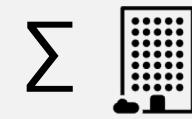


Individual strength of a patent family

Competitive Impact™



Patent Asset Index™



Innovative strength of a company or portfolio (ability to achieve competitive advantage)!



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# Thank you.

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Head of Consulting and Customer Success

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