Boosting the Bottom Line

Strategies for Managing Patents During a Recession

July 21st, 2022
Agenda

1. Effective methods for pruning low-value patents from your portfolio
2. Synching your patent filing strategy to the competitive landscape
3. Identifying and divesting patents no longer core to your business
4. Monetization strategies on high-value and infringed-upon patents
Speakers

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Show Me the Patent Data!

Portfolio Summary
- 5152 Pending
- 7810 Granted
- 9.5 Yrs. Average portfolio Life
- 25% US based Portfolio
- 1200 Average Annual filing (2015-2019)

Preparation & Prosecution Savings
- $7K Parent filing $12K
- $2K Family filing $7K
- $1K Office Action $5K

$1.19M Avg. Spent (2021)
$300K Estimated Annual Saving

Patent Lapse (US)
- Historic 5-Year Renewal Spend $3.3M
- Overall Lapse Rate 19%
- Industry Lapse Rate 13%
- Next 5 years @ 13%

Filing Overview & Grant Rate
- Total: 2360
- ABC Corp.: 61%
- Avg. Industry: 72%
- Granted: 1941
- Pending: 419

Patent Transaction (113,553)
- Top patent buyer: JKL 15,460, DEF 4,324, GHI 3,887
- Top Patent Seller: JKL 15,493, GHI 3,400, DEF 2,721

Competitors
- ABC Corp.'s ROI -66% (Rank 12/20)
- MNOP Corp.: -94% (20/20)
- JKL Sys.: 1% (1/20)

Parent filing: Family filing: Parent: Family (%) 40:60

Estimated Annual Saving

Preparation & Prosecution: Estimated Annual Saving

ABC Corp. TSL: 1%

Average Annual Portfolio Life: 9.5 Yrs.
Thank You

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Appendix
Effective Portfolio Pruning

Reduce annual portfolio maintenance spend by calibrating lapse rate with industry. For example, comparing ABC Corp. to four competitors in the Auto industry.

- Potential opportunity to identify assets out of sync with current business initiatives

**ABC Corp. 2022-2026 Renewal Statistics**

- 5K+ US patents for renewal
- $25M+ renewal cost
- $5M+ potential savings*

* Savings resulting from pruning of assets at industry average rate of 22%.
Benchmarked Patent Filing Strategy

Synching your patent filing strategy to the competitive landscape, with a keen eye towards future revenue generators.

ABC Corp’s Filing Trend - Technology wise

Reduce filing in low value technology categories and geographies to increase portfolio ROI

ABC CORP COMPETITOR ASSESSMENT – GLOBAL ACTIVE PATENTS

- ABC Corp.
- DEF Inc.
- GHI Cons.
- JKL Sys.
- MNOP Corp.
Marketplace Awareness

Identifying and divesting patents no longer core to your business while staying apprised of transactions occurring in the market.

US Patents Per Tech Category

- MNOP Corp.
- JKL Systems
- GHI Consolidated
- DEF Inc.
- ABC Corp.

Engines and Emission: 70% - 80%
Battery/EV: 20% - 30%

Top Buyers

- DEF
- ABC
- JKL
- GHI
- MNOP

Engine & Emissions: 0% - 10%
Battery/EV: 90% - 100%

Competitor’s Transaction Trends

Strategic Monetization

Monetization strategies for low-risk, adjacent markets on high-value and infringed-upon patents. For example, the Automotive industry has potential adjacent markets listed below.

- Unlock **revenue generation** opportunities in low-risk areas
- Leverage **IP to gain Equity** in fast growing companies
- Enable **collaboration and knowledge sharing** with suppliers and industry partners to promote technology adoption

**Exemplary Licensing Opportunities**

- Engines & Emissions
- Oil & Gas
- Construction
- Power Generation
- Collision Avoidance
- Drones
- Rail Transportation
- M2M Communication
- Telematics
- Marine
- Aerospace
- Avionics

Marine
Aerospace
Avionics