



Who's Selling Patents?

What are the motivations?
How do they sell?




Currently No Audio Narration Available



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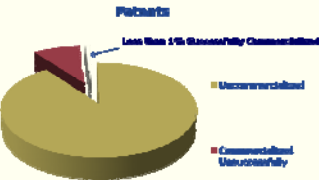
Why Sell Patents?

- Generate revenue from otherwise redundant assets.
 - Incremental revenue can drop to bottom line.
 - Minimal costs involved in selling via intermediary.
- Reduce ongoing maintenance costs.
 - Many corporations paying fees for patents they will never use.
- Release funds to acquire patents more in line with current strategy.
 - Actively managed portfolios can be more valuable & effective.



TYNAX THE TECHNOLOGY TRADING EXCHANGE

Most Patents are Unused



Patents

- Commercially Utilized (10%)
- Commercially Unutilized (90%)
- Less Than 5% Successfully Commercialized

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Why are Patent Unused?

- They're in the hands of individuals and organizations that don't have the channels to market them.

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Channel Barrier for Startups

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Struggling Startups

- Types of seller:
 - VC backed startup companies.
- Why they sell:
 - Failed to commercialize.
 - Lacked channels to market.
 - Funding dried up.
- How they sell:
 - Attempt to go direct.
 - Via broker.
- Concerns & issues:
 - May be the only real asset of corporation.
 - What happens to key staff?
 - Acquire patents or whole company?

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Failed Startups

- Types of seller:
 - Startup management.
 - Trustee under instructions from creditors.
- Why they sell:
 - Liquidating assets.
 - No appealing alternative.
- How they sell:
 - Via trustees, agents.
 - Must market/promote.
- Concerns & issues:
 - Quick process.
 - No warranties.



Independent Inventors

- Types of seller:
 - Serial inventors with one or more patents.
- Why they sell:
 - Unable to monetize the patents otherwise.
 - Lack of channels to market.
 - Calculate that sale maximizes value.
- How they sell:
 - Engage broker.
- Concerns & issues:
 - Imbalance of power when negotiating with large corporate buyer.




Large Corporations


- Types of seller:
 - Large corporations.
 - Product marketers.
- Why they sell:
 - No longer core to business.
 - Divesting of business/unit.
 - Result of acquisition.
- How they sell:
 - Stealth mode.
 - Via intermediaries.
- Concerns & issues:
 - Often refuse to sell to enforcement-based buyers.
 - Concerned about disclosing strategy to competitors.



Research Labs and Universities


- Types of seller:
 - University or research lab.
- Why they sell:
 - Unused.
 - Not core to future plans.
- How they sell:
 - Direct & via brokers.
 - Offices of tech. licensing.
- Concerns & issues:
 - Sale often restricted by government funding regulations.
 - Licensing is often the only option.






Global phenomenon

- U.S. patents being sold from many countries including:
 - U.S.
 - Japan.
 - Korea.
 - Taiwan.
 - U.K.
 - Germany.
 - France.
 - Canada.
 - Australia.
 - All over the world..







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