

## Reinventing Patent Monetization Business Model

Let's renovate the "patent trolls" to "patent angels"!

### *IP-Backed Spin-Off*

#### **Case Study**

Company name: Newracom, Inc.

Location: Irvine, California

Background: WiFi research team members from ETRI in S. Korea formed a start-up supported by more than 100 patents and funded \$15M from a venture capital.

Business model: IP protected WiFi connectivity SW & chipset solutions (IEEE 802.11ah based WiFi sensors for the smart grid/IoT/M2M applications)

Patent monetization: Licensing royalty of ETRI's patents from Newracom; profit from customized IP solutions

Company name: CF Global

Location: Bellevue, Washington

Background: The first spin-off from Intellectual Venture's Invention Development Fund, which works with the inventor of Coffee Flour, Dan Belliveau, who is a founder and CEO of CF Global.

Patent monetization: Profit from the equity of CF Global business

### ***Patent Factory***

This patent monetization model exploits the existing high tech SMEs that are usually in telecommunications and in financial difficulties in their main business. The patent factories develop specifically targeted patent portfolios and strategically package the patents for sale. Usually, private equities fund the patent factories for a rather quick return (around two years).

Patent Factory Best Practice: confidential

### ***Patent Reuse Bank***

This patent monetization model utilizes the existing patents that are developed by the government funded research institutions and are under-exploited for commercial purposes. The patent reuse bank categorizes the patents by specific industry, market, technology and pools them into a web platform. Usually, high tech SMEs in needs of specific patent portfolios license them for their commercial uses.

### ***Patent Cloud Platform***

This patent monetization model utilizes the cloud platform to link inventors, patent users, and investors. A patent development project (patenting on demand) can be initiated by inventors, patent users, or investors. For example, a patent user requests patent development

for a specific commercial use, and an investor or cloud funding investors can fund the project. A specific monetization ideal also can be obtained from the cloud sourcing.

For details about strategy consulting for the new patent monetization BM development, please contact Alex Lee (alexglee@techipm.com) .

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