Introduction to Intellectual Ventures

6th November 2015

Cory Van Arsdale, Senior Vice President, Global Licensing

IV: An Invention Company
A leading inventor & investor in invention

Applied a VC / PE business model to patents i.e. we invest in invention

Create & Buy Patents
 Aggregate & Improve
 Monetise (license, sell, spin-out)

Invention Capital
Core beliefs:
• Ideas & inventions are valuable
• IPRs should be respected
• Inventors should be compensated through licensing
• Patents are the currency of the Knowledge Economy

>$6Bn raised across 6 funds
Some facts: IV practices Invention

- Inventing since 2003 with both internal staff & a global network of inventors
- Multiple company spin-outs based upon specific invention
- Paid $2.3B+ over 2,000+ deals into the global invention ecosystem since 2000
- Global licensing programs across many industries
- 100+ licensing deals concluded
- Telecoms licensing programs: Service Providers (US & Europe) & Handset vendors (Worldwide)

Some observations ...

- Patent ownership is increasingly fragmented:
  - Increased invention, often by SMEs
  - Commercial imperatives for RoI from R&D (meaning large enterprises are selling their patents)
  - No choice hold out: licensing is hard as once objective valuation points are now vague: IPRs, *Alice* uncertainty
- Aggregation brings benefits to licensees and inventors
- Building and supporting a market for invention remains IV’s goal
- Let’s not confuse basic negotiation with non-sequiturs about FRAND, RAND, SEPs