



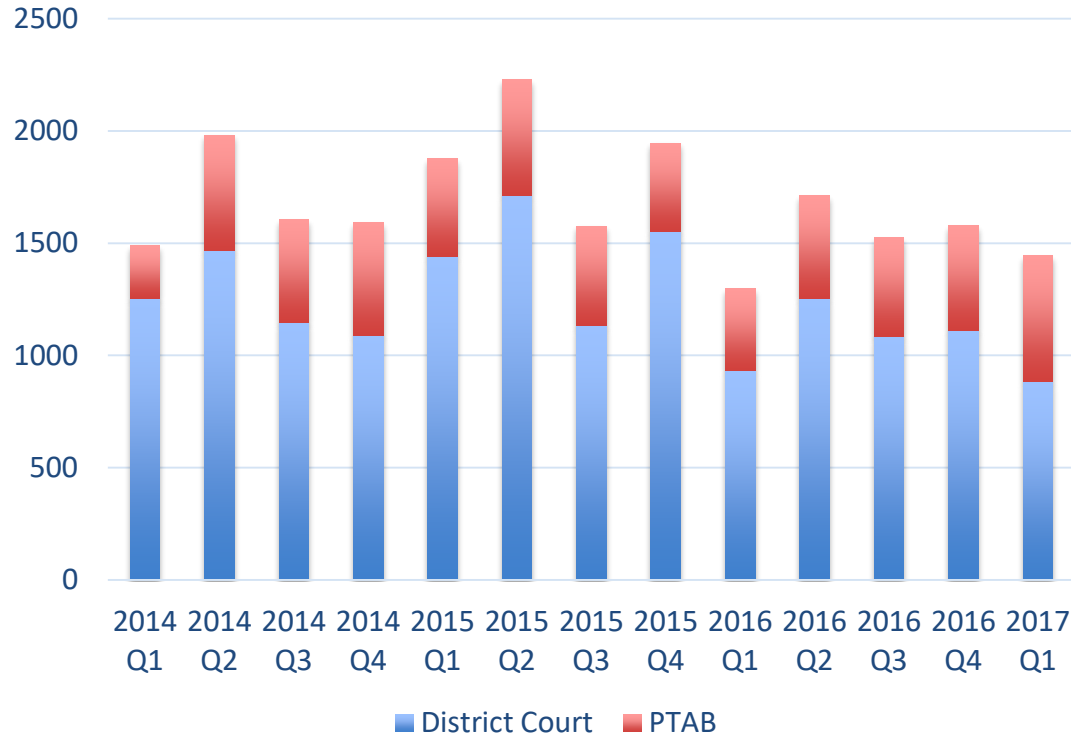
THE ANTI-TROLL





# Patent Litigation and PTAB Update

# PATENT DISPUTE REPORT: 2014-2017

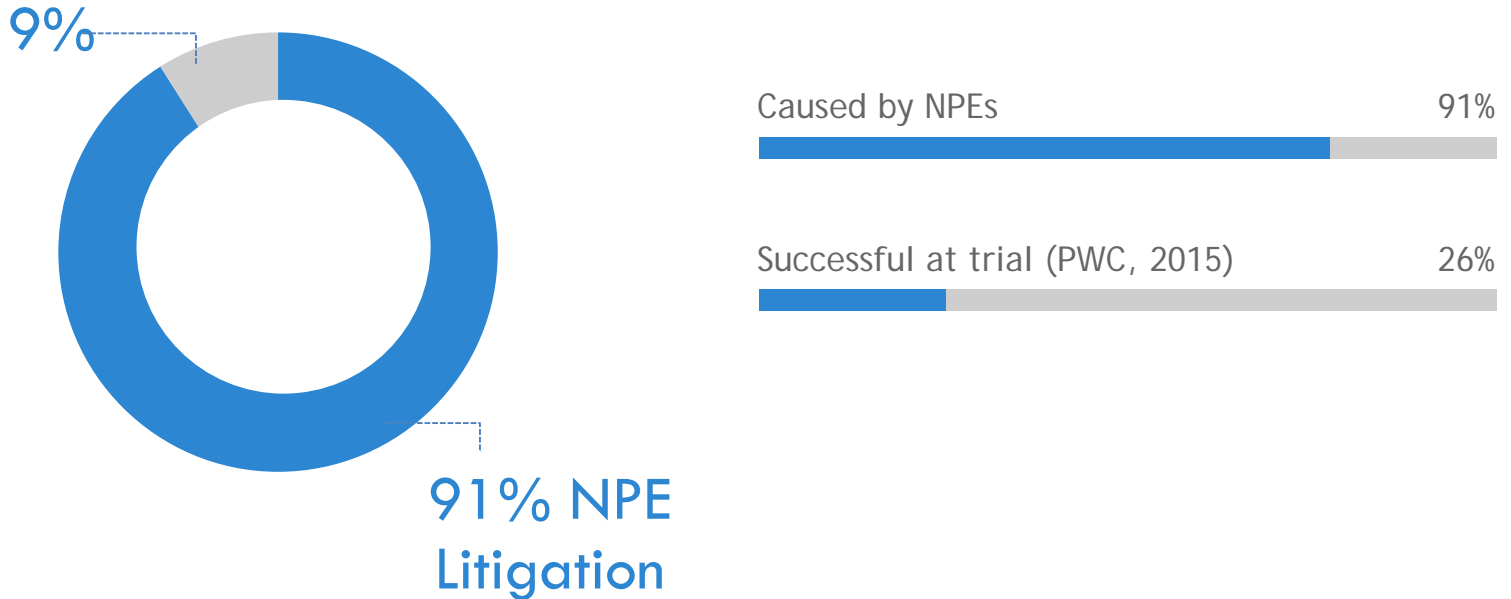


- Q1 2017 district court litigation is stable compared to Q1 2016, but PTAB filings increased significantly.

# 91% OF TECH PATENT LAWSUITS TROLL DRIVEN



High-Tech faced almost 2,400 cases  
of NPE Litigation in 2016

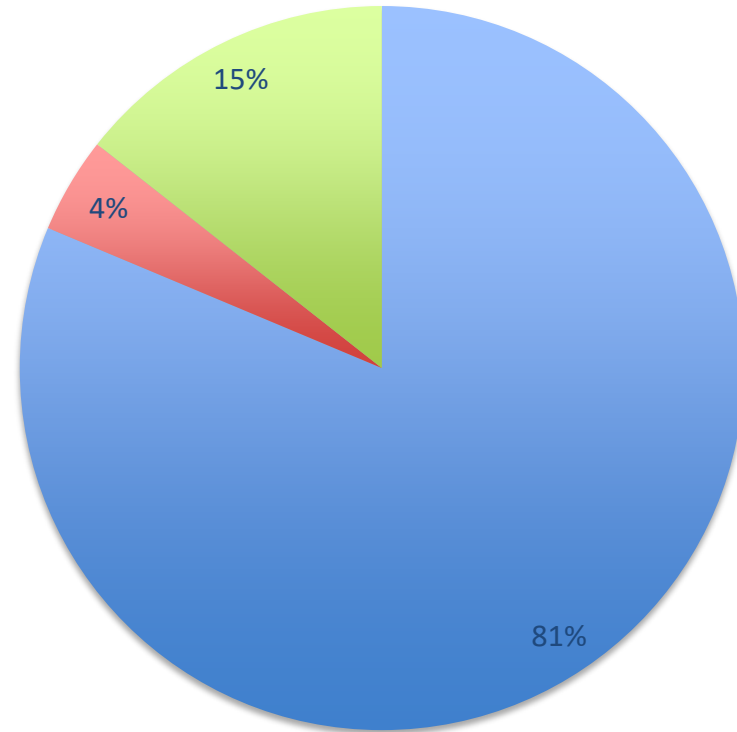


[2016 Patent Dispute Report](#)

# HIGH TECH NPE LITIGATION: 2016



- Almost all NPE litigation in High Tech was from purchased patents asserted by PAEs



■ NPE (Patent Assertion Entity)

■ NPE (Small Company)

■ NPE (Individual)



## Created in 2011 in the PTO as part of the AIA

### Goals:

- *Improve patent quality*
- *Reduce the cost of litigation*
- *Allow third parties to file outside of litigation*

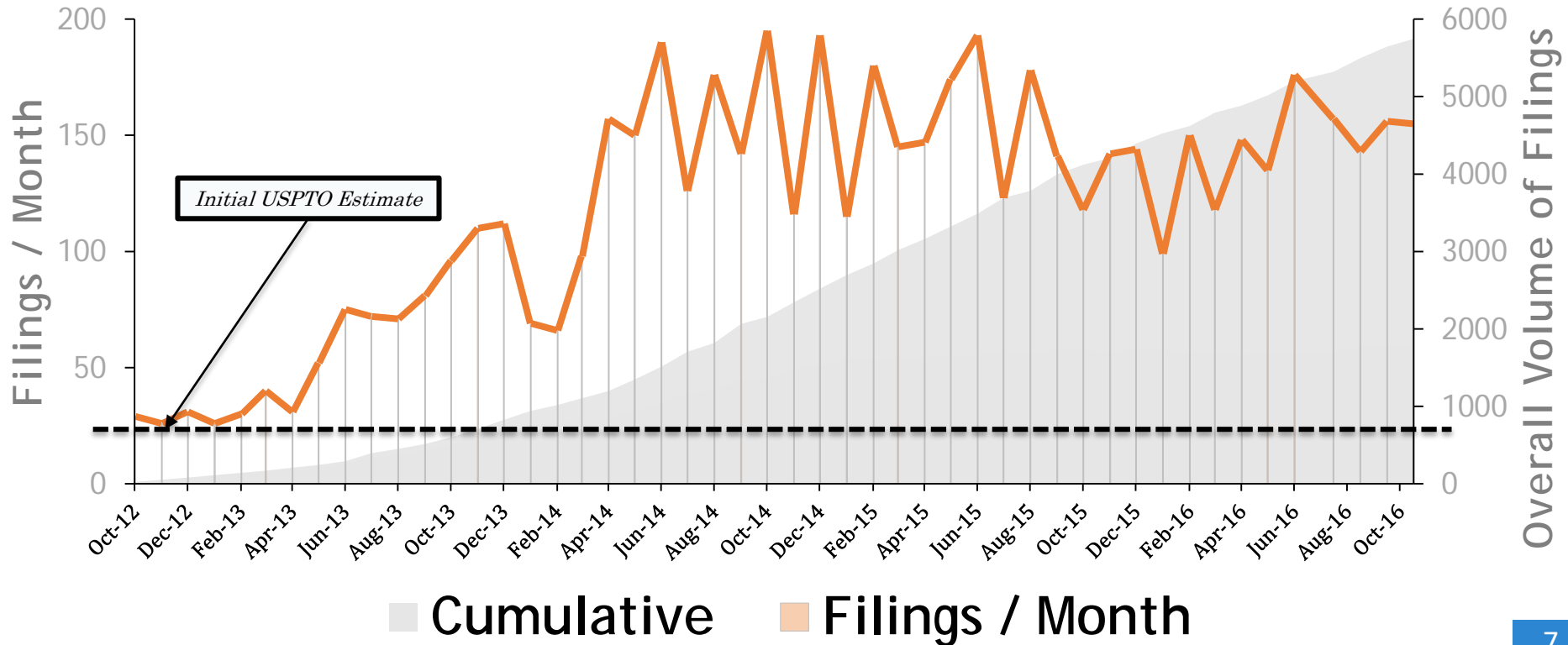
### *Challenges available at the PTAB*

- *Inter Partes Review (IPR)*
- *Post-Grant Review (PGR)*
- *Covered Business Method Patents (CBM)*
- *Ex-parte Reexamination*

# PTAB: Monthly & Cumulative Filings



- 120 petitions filed / month on average
- 3x more than initially expected by PTO

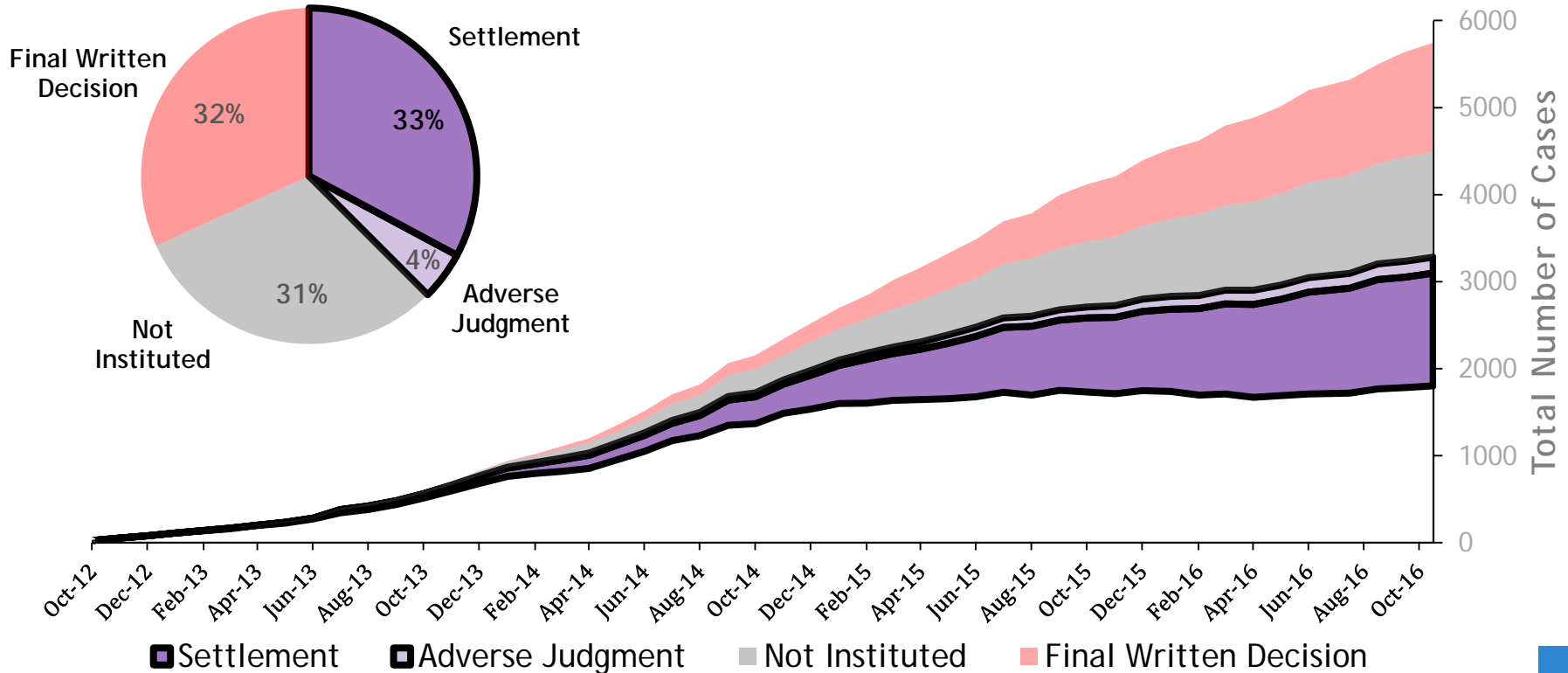


Overall Volume of Filings

# PTAB: Case Resolutions



- PTAB - 1/3 of resolutions initiated by parties (e.g. settlement, AJ)
- District Court - 3/4 of disputes are settled



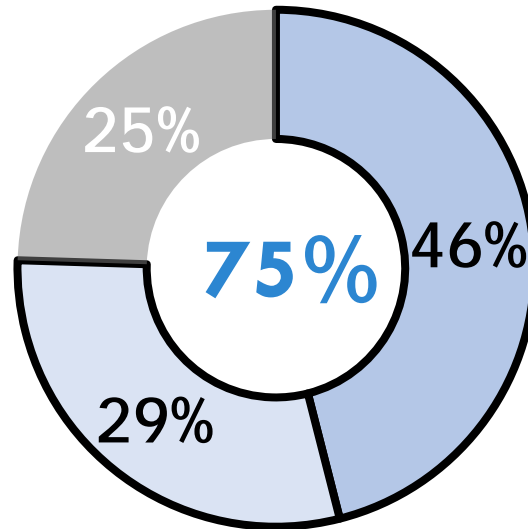


## PTAB: Institution Decisions



- Approximately  $\frac{3}{4}$  of institution decisions on the merits are granted
- The institution rate has been steadily decreasing over the past 4 years

Decisions on the Merits  
Case-Level Outcomes



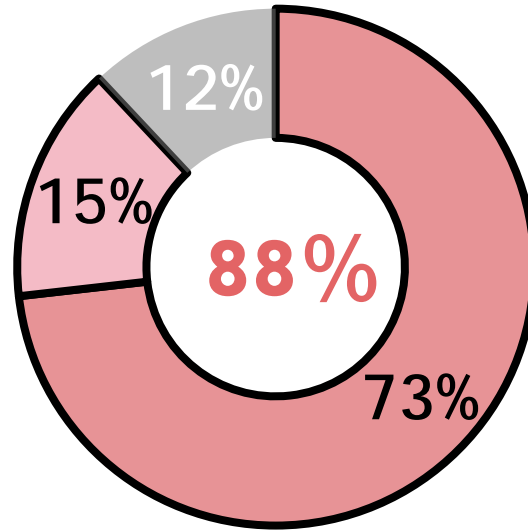
■ All Claims   ■ Some Claims   ■ No Claims

## PTAB: Final Written Decisions



- An overwhelming majority (upper 80%) result in at least once claim cancelled
- This high invalidation rate at FWD has held steady so far

Decisions on the Merits  
Case-Level Outcomes

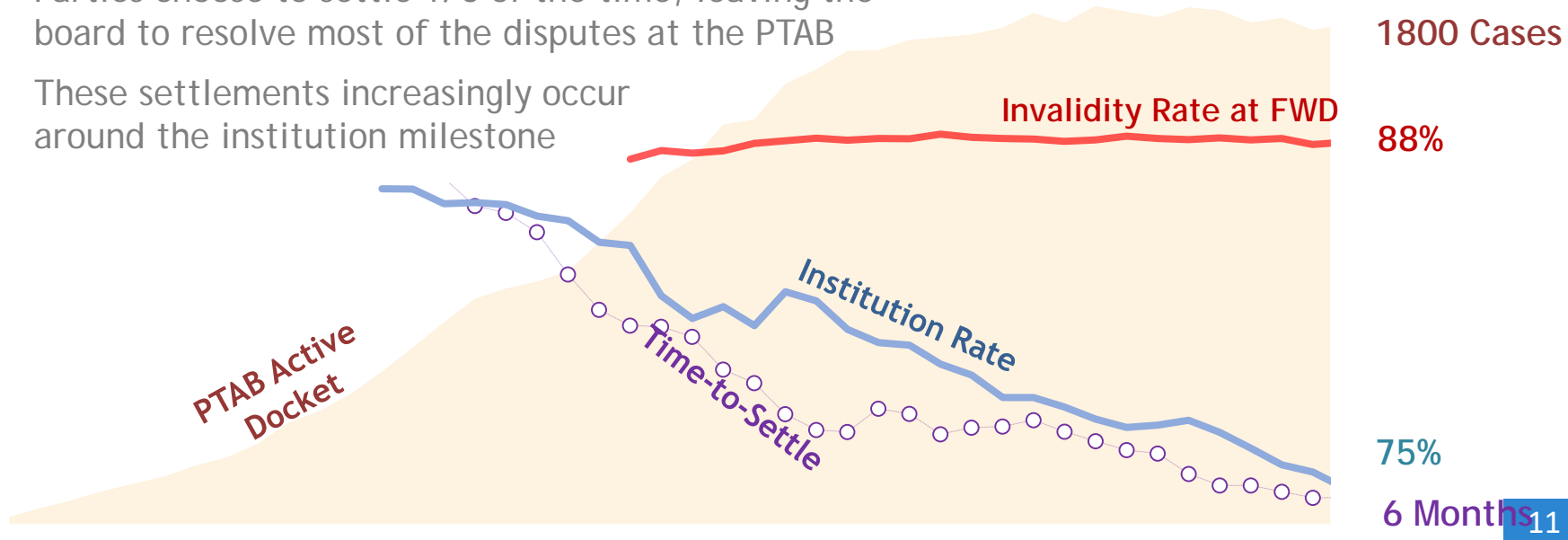


■ All Claims ■ Some Claims ■ No Claims

# PTAB: Summary of Last 4 Years



- Size of PTAB active docket reaches equilibrium at ~1800 pending cases
  - Board's institution rate has steadily decreased
  - Board's invalidity rate at FWD has held steady
- Meanwhile, parties have adjusted their settlement calculus accordingly
  - Parties choose to settle 1/3 of the time, leaving the board to resolve most of the disputes at the PTAB
  - These settlements increasingly occur around the institution milestone





# Unified Patents Background

# JOIN OVER 160 COMPANIES IN STOPPING TROLLS AND IMPROVING PATENT QUALITY



UBER



TOYOTA

Roku

PANDORA



verizon

DENSO

Google



PLEX

HONDA  
The Power of Dreams

CableLabs

indeed

JPMorganChase



NetApp

PHILIPS

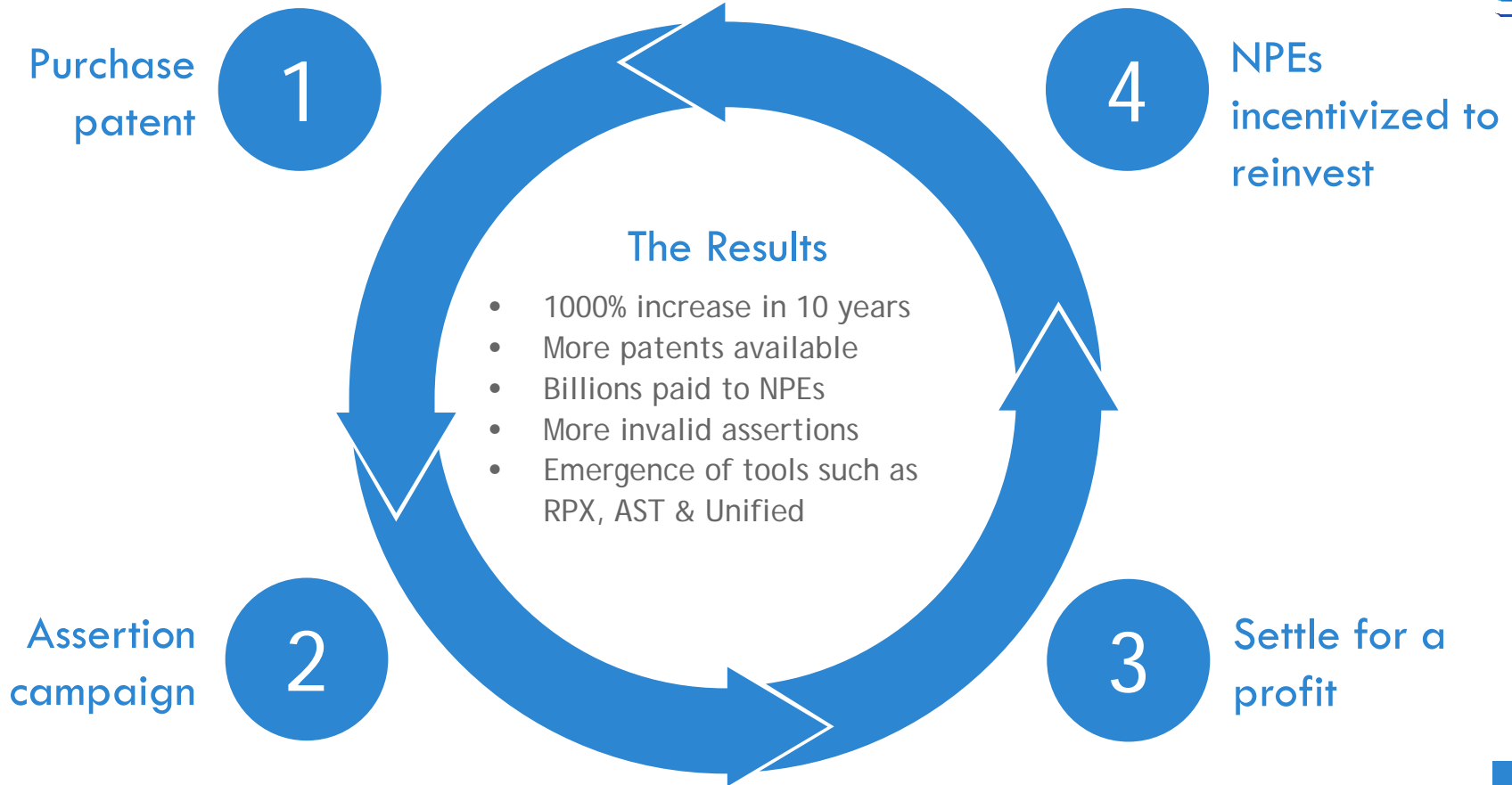


TESLA

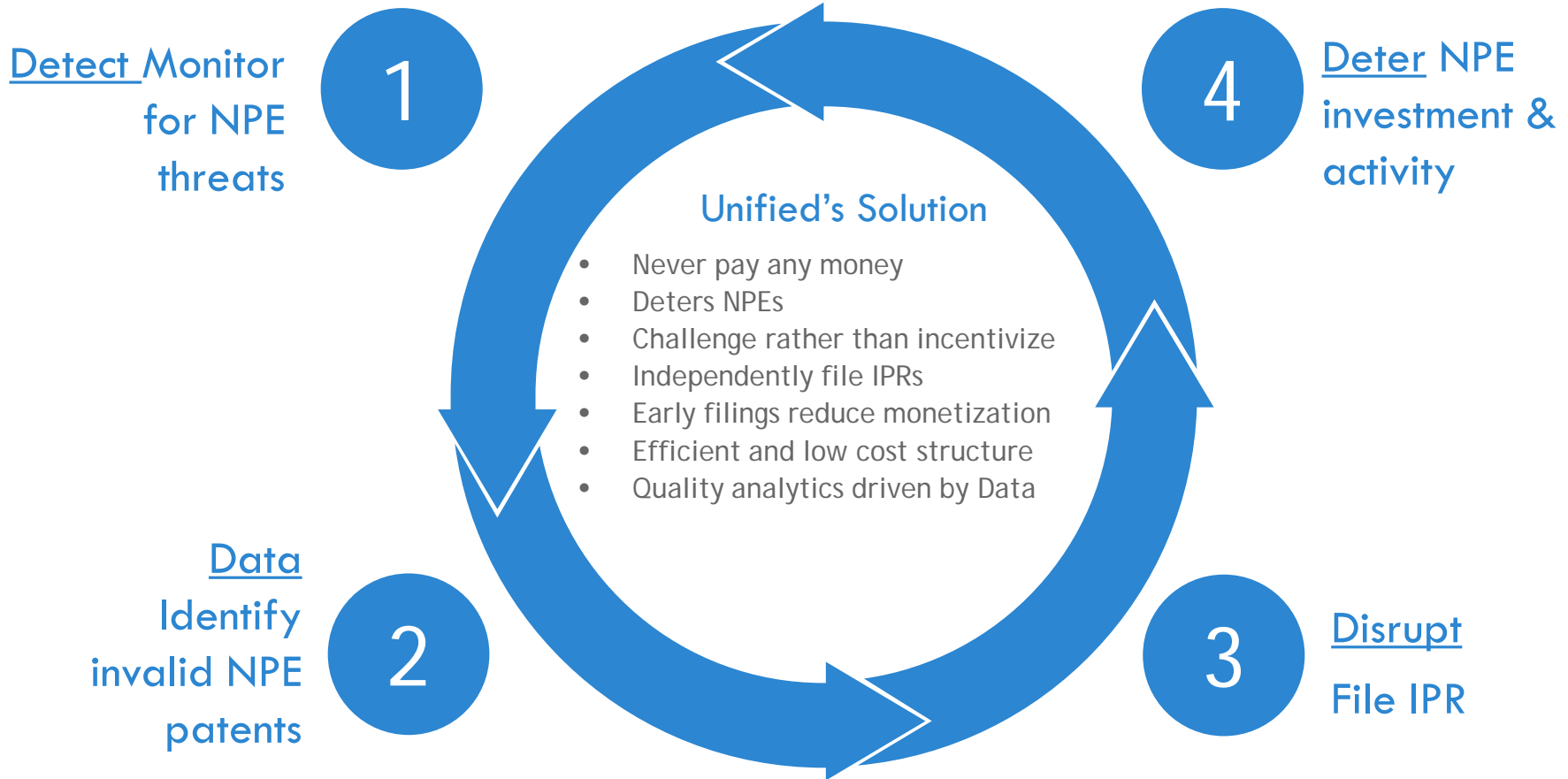
SQUARE ENIX

DAIMLER

# TROLLS LEVERAGE A BAD CYCLE OF INCENTIVES



# UNIFIED'S STOPS PATENT TROLLS



# UNIFIED: 4th MOST-FREQUENT PETITIONER AT PTAB FOR 2016



- \$20+ million to date used to disrupt trolls
- 66 IPRs to Date
- 10 Patents Cancelled
- 14 Settled IPRs
- 20 Patent Families / 108 Assets Licensed

Year	Challenges	Settlements	Patents Invalidated
2013	3		
2014	11	2	1
2015	17	6	3
2016	29	12	6

Active Zones
Cloud
Mobile
Content
Transactions
IoT
Transport
Retail



# HOW: UNIFIED UTILIZES TOP PTAB TALENT



Protecting Zones with top firms...



Deterring the worst NPEs...

INTELLECTUAL  
VENTURES®

  
acacia  
RESEARCH CORPORATION

Empire IP 

  
MARATHON

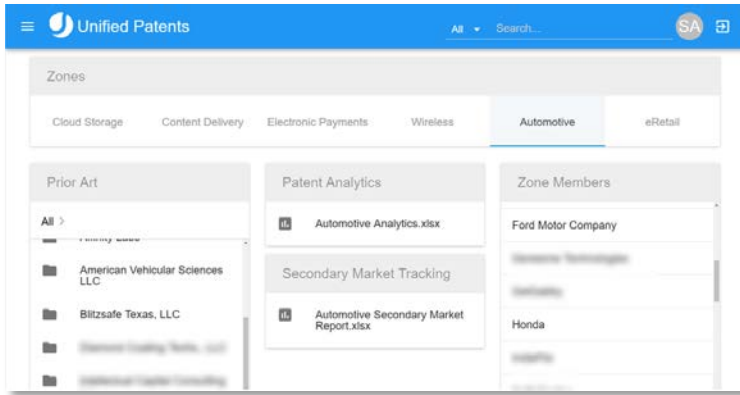
**WILAN**



Improving Patent Quality

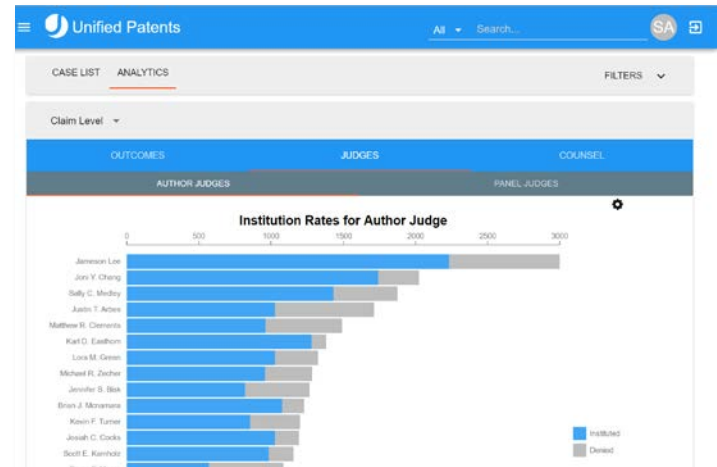
[portal.unifiedpatents.com](https://portal.unifiedpatents.com)

# PRIOR ART DATABASE AND PTAB ANALYTICS

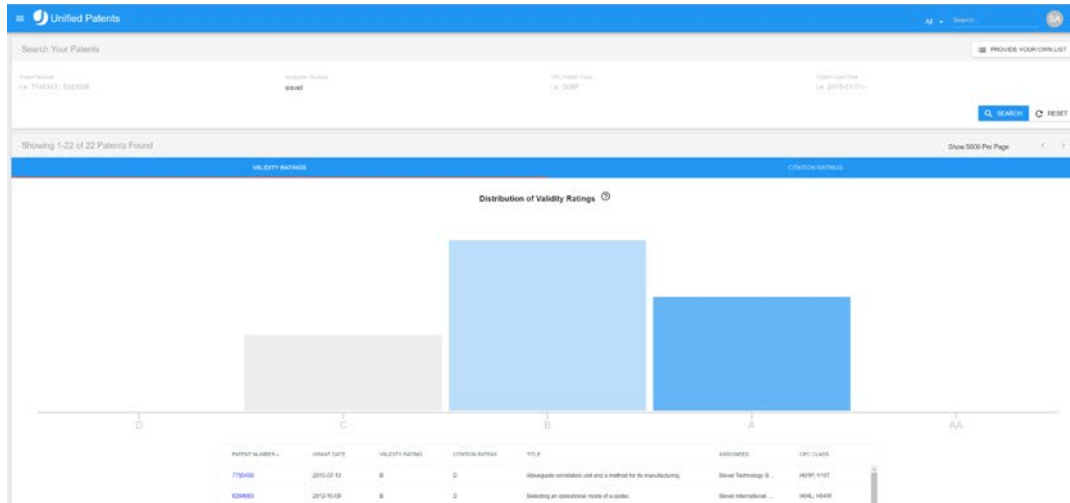


- Prior Art Database
  - Over 400 patents evaluated and posted
- Patent Landscape Analytics
  - All patents in a Zone including NPE owned assets

- Unique claim & prior art level PTAB analytics
- Law Firm / Lawyer success rates
  - Helps in selecting firms to use and in securing better rates
- PTAB Judge analytics predicts outcomes
  - Helps in calibrating settlement decisions



# IMPROVE PORTFOLIO QUALITY



## APIX – Validity Ratings

- Based on PTAB institution decisions
- Uses over 30 patent variables

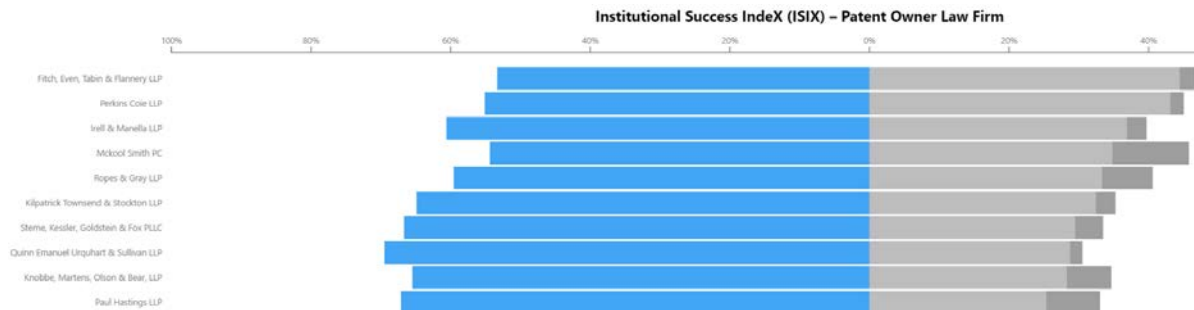
## CITX – Value Ratings

- Based on Forward Citations in same year
- Proxy for value

## Benefits

- Identify valuable patents
- Evaluate portfolios based on validity
- Make better decisions
- Determine whether or not to continue paying maintenance fees on older patents

# IMPROVE PTAB SUCCESS RATES AND LOWER COSTS

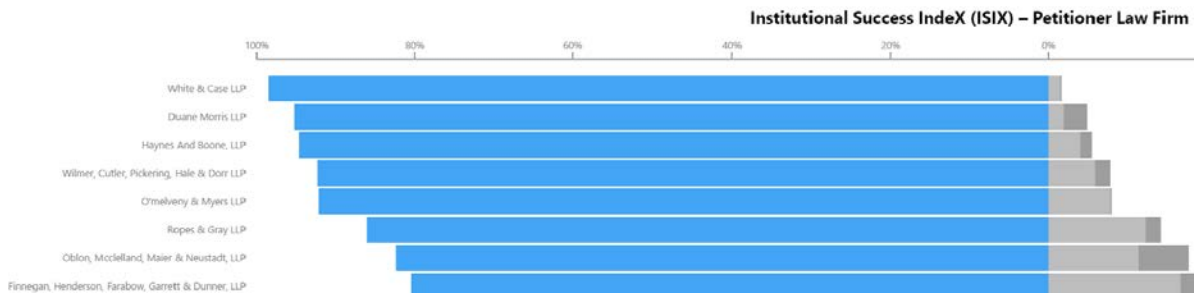


## ISIX – Institutional Success Index

- Patent Owner and Petitioner Data
- Can filter based on many criteria

## Benefits

- Identify best law firm for an IPR
- Find success in the same art unit
- Lower IPR costs
- Improve bidding





# Thank you.

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