

# Panel Discussion: The Evolving Patent Valuation Landscape

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## Panel Introductions

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## Introduction and Overview

- ▶ We've witnessed significant upheavals in the patent system in recent years that have impacted patent valuation
- ▶ How did we get here?
- ▶ Impact of evolving valuations on litigation and licensing and the "monetization" business model
- ▶ Have patent valuations declined to a point where patents do not provide sufficient incentive for innovation?

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## How Did We Get Here?

- ▶ Perceived "bad actors" influence on attitudes about patent owners
  - ▶ *Lemelson* litigation in the '90s etc.
  - ▶ The rise of the "patent troll" and concerns about abuse of the patent system
- ▶ Resulting judicial action applying the patent laws impacting enforceability, damages and validity of patents (particularly software patents)
- ▶ America Invents Act (2011) and later repeated unsuccessful attempts at additional legislative patent reform

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## A Perceived Problem with “Patent Trolls” Is Not New

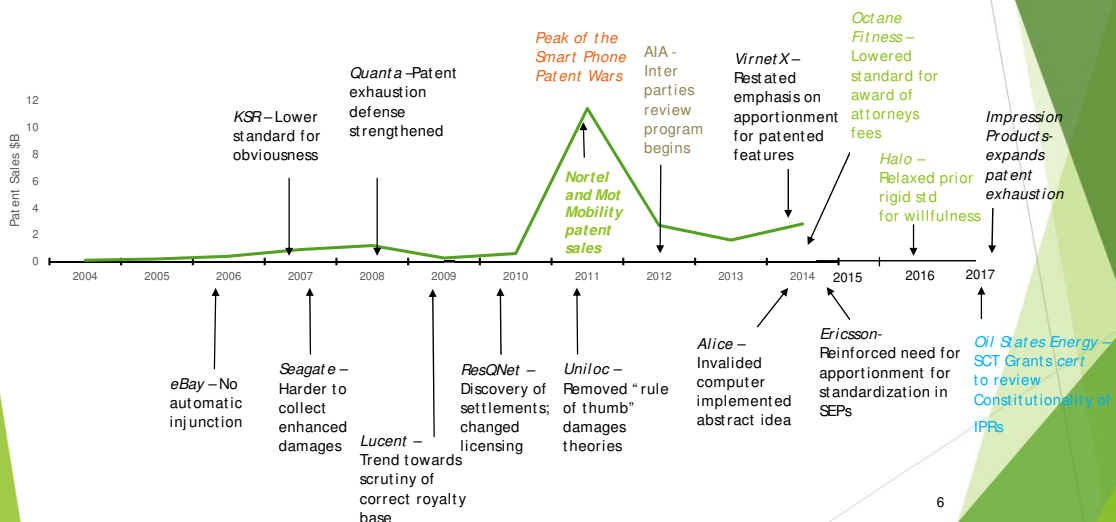
“It was never the object of those laws to grant a monopoly for every trifling device, every shadow of a shade of an idea, which would naturally and spontaneously occur to any skilled mechanic or operator in the ordinary progress of manufactures. **Such an indiscriminate creation of exclusive privileges tends rather to obstruct than to stimulate invention.**”

“It creates a class of **speculative schemers** who make it their business to watch the advancing wave of improvement, and gather its foam in the form of patented monopolies, **which enable them to lay a heavy tax upon the industry of the country, without contributing anything to the real advancement of the art.**”

*Atlantic Works v. Brady*, 107 U.S. 192, 200 (1883).

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## How Did We Get Here – a Visual Timeline . . .



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"The Evolving Patent Valuation Landscape"