

# ACHIEVING HIGH-RETURN PATENT REVIEW

*Patent attorneys from prestigious patent investment and advisory firms share their ideas, best practices - and bottom line results.*



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**Ed Gomez**

Former Managing Director and  
General Counsel



In the fast-paced world of buying and selling patents, Fortune 1000 companies and investment firms have come to recognize that in-depth technical analysis is critical to successfully driving patent licensing and litigation goals. And in today’s lean business operating environment, internal resources are often not available for time-sensitive, high-quality patent triage.

Finding a patent with great value and market potential often hinges on the slightest nuances of claims, drawings and technical specifications. It is tedious, time-consuming and highly technical work that can be costly for organizations acquiring patents. Historically, patent law firms have helped their clients evaluate patents to ensure they are valid and enforceable before acquisition.

By some estimates, as much as \$1 trillion in potential value remains unrealized in the patent portfolios of companies, investment firms and universities. Those organizations are now looking to tap into these assets and turn them into sources of strategic growth and revenue. The next big blockbuster of hardware or software technology is out there, it’s a matter of identifying and commercializing it.

“Patents are very different than any other kind of property,” says Ed Gomez, former managing director and general counsel for Digitude Innovations, a New York-based consumer electronics licensing company, and wholly-owned subsidiary of Altitude Capital Partners. “Two patents can look alike and sound alike, but one can be incredibly valuable and the other one can have no value whatsoever. Being able to distinguish between these tiny differences is how we unlock value and potential.”

A typical patent portfolio on the acquisition block today may consist of thousands of individual patents. Each one must be scrutinized with clear and concise guidelines to determine which ones are materially significant or commercially promising.

Time and precision are of the essence, according to Mitch Rosenfeld, head of IP analytics and diligence at Pluritas, a patent advisory firm based in San Francisco.

“Speed, accuracy and cost are key criteria for us when evaluating our patent review and evaluation partners,” said Rosenfeld. “And it’s been an ongoing challenge to achieve all three, but we’ve come up with a good process and UnitedLex is an important part of that.”

## PRIVATE EQUITY FIRM CAPITALIZES ON PATENT INVESTMENTS

Ed Gomez was part of the founding team at Digitude Innovations that was initially capitalized with a \$50 million lead investment from Altitude Capital Partners. Their primary focus is on the acquisition and licensing of patents in the consumer electronics and adjacent technology fields.

Gomez worked with UnitedLex on a patent review project that ran 18 months, during which 14,000 patents were analyzed, out of a total of 550,000 patents reviewed. The bottom line impact was an exceptional return on Digitude’s portfolio, culminating in its acquisition by RPX, a world leader in patent risk management.

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With nearly 20 years of patent litigation experience behind him, Gomez has managed hundreds of patent review and evaluation projects. He has seen few that have gone better or been done as economically.

“The volume and quality of the work was high and the fees were cost-effective,” said Gomez. “We were impressed.”

Gomez and UnitedLex set up the review process and communications plan early, and the throughput, he said, only got better as the project progressed.

“The team’s strength was its adaptability,” Gomez said. “They listened, they learned, and became more productive as they went, switching gears when needed.”

## HIGH PERFORMANCE PATENT ANALYSIS AND DILIGENCE

With an undergraduate degree in physics, Mitch Rosenfeld decided to earn a law degree when he discovered he could apply his technical and analytical skills to complex business challenges. The niche was a natural fit and in Rosenfeld’s 20-year career first as a patent attorney and then as a patent advisor, he’s been involved in over \$150 million worth of patent transactions.

Recently, Rosenfeld found himself facing the herculean task of having to perform due diligence on a huge patent portfolio – thousands of patents, spanning five distinct projects. To quickly gain the scale he needed, Rosenfeld leveraged the combined domestic and international resources of UnitedLex’s patent due diligence team to review the large quantities of patents in an aggressive timeframe.

“The educated, professional and cost-effective resources of UnitedLex’s India team are an obvious choice, especially with U.S.-based resources at such a premium,” Rosenfeld said. “Long distance training and support for international resources has always been a concern,

however, we established a solid project management process and an ongoing, customized training program to specifically follow our preferred best practices. Hallmarks of ability to learn, adapt and deliver work that met, and exceeded our particular needs were critical to meeting our financial and qualitative objectives.”

Planning for success starts with establishing clear and consistent project parameters: What should the team be looking for? What are the markers of the right patent for this particular project?

Lata Setty, Chief Intellectual Property Officer at UnitedLex, agrees that success comes from preparation and detail-oriented project management.

“Our clients achieve the best results when they actively engage with us, providing good guidance on what their business objectives are for a project,” said Setty. “Client feedback is crucial for making adjustments as a project evolves.”

As part of the planning process with UnitedLex, Rosenfeld went to India and spent several days going over the parameters and guidelines of the project with

## HOW TO GET THE MOST FROM YOUR PATENT REVIEW RESOURCES

1. Determine scope and patent review criteria carefully.
2. Provide thorough guidance upfront, and throughout the project.
3. Require simple reports and briefings that show headway towards goals. Make adjustments immediately if milestones aren’t hit.
4. Expect responsive and knowledgeable domestic project management that can relay your instructions accurately and provide good insight into project status and progress.



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### Mitch Rosenfeld

Partner, IP Analytics & Diligence



the patent due diligence team. Interestingly, he said he started by emphasizing they shouldn’t be afraid to ask questions throughout the project since that is one of the best ways to make sure they stay on track.

“In my experience, the real key to getting optimal results is to keep the offshore team educated, informed and motivated with feedback and comments,” said Rosenfeld. “They are a pleasure to work with and eager to do a great job. They just need good oversight and UnitedLex project managers keep everyone informed and on track.”

The overall project management, from start to finish, and the organization of each project, are mainstays of successful outcomes, said Rosenfeld. Each project should have a benchmark – a set of goals and objectives that get measured on a daily basis.

“To get great outcomes requires extraordinary people and processes,” said Rosenfeld. “It really is the difference between mediocre results and outstanding results.”

