



Case Study – IPotential Locates Offers for OpenShark Patents

OpenShark Inc., a provider of mobile e-mail and messaging technology, received an unsolicited offer for several of its patents on a technology and product no longer part of its core business. Unfamiliar with the intricacies of patent valuation and transactions, OpenShark was not in a position to determine whether the offer was fair and legitimate. OpenShark wanted to better understand the value of these patents, establish their actual worth, and decide whether to simply negotiate the best deal it could get from the offer or determine if a greater demand for the patents existed. OpenShark did not have the broad range of business, technical, and legal expertise this evaluation required, so the company began to seek outside assistance and were referred to IPotential Brokerage Services (IPBS). OpenShark was impressed by the number of patent sale transactions IPBS had completed and immediately recognized that IPBS was the right partner to manage the sales process.

To start the transaction, IPBS obtained the background of OpenShark and its history of research and development to better understand the underlying technology in the patents. IPBS then completed a thorough patent, technical, and business analysis and identified products that were on the market that appeared to infringe the patents. IPBS also identified and corrected an issue with the title (ownership) of one of the family of patents. IPBS completed its marketing package and collected all the other information its experience showed prospective buyers would request. IPBS completed this analysis in about three weeks and were ready to begin marketing the patents.

In its effort to identify potential buyers for the OpenShark patent, IPBS also investigated the source of the current offer to ensure its legitimacy, and determined that it was not credible. IPBS identified more than three dozen other parties for whom the patents would have value. Through their previous patent work, IPBS's partners know or are one phone call away from most technology companies' general counsels or directors of IP, but IPBS also contacted companies who have not historically bought patents and successfully marketed the patents to them.

IPBS then entered into negotiations with the prospective buyers. IPBS fielded and negotiated several offers for OpenShark, managing the process in complete confidence with all parties involved. IPBS helped several of the interested buyers make a case to their management for the value of the patent and over the course of two weeks significantly increased the price above the range of the original offer. In the end, the seller was pleased with the price and confident that the process IPBS followed produced the best price the market would bear (if not a little bit more). The buyer was happy to acquire patents that will be key to its business.

As a result of choosing IPBS, OpenShark took advantage of an excellent opportunity to turn some of its IP assets that were no longer central to its strategy into cash. IPBS helped OpenShark complete the sale quickly, efficiently, and at a 160-percent higher price than the questionable original offer. "IPBS brings indispensable knowledge and vast industry contacts," said Tony Tong, CEO of OpenShark. "They managed the entire sales process from evaluation and marketing to negotiation and closing. We would not have been as successful without their help. I would certainly recommend IPBS to others."