

Patent Value Quotient

A yellow starburst ribbon graphic with two red ribbons hanging down, positioned to the left of the word 'Quotient' in the title.

FULL YEAR 2014

IP Offerings

A yellow starburst ribbon graphic with two red ribbons hanging down, positioned between the letters 'P' and 'O' in the text 'IP Offerings'.



FULL YEAR 2014

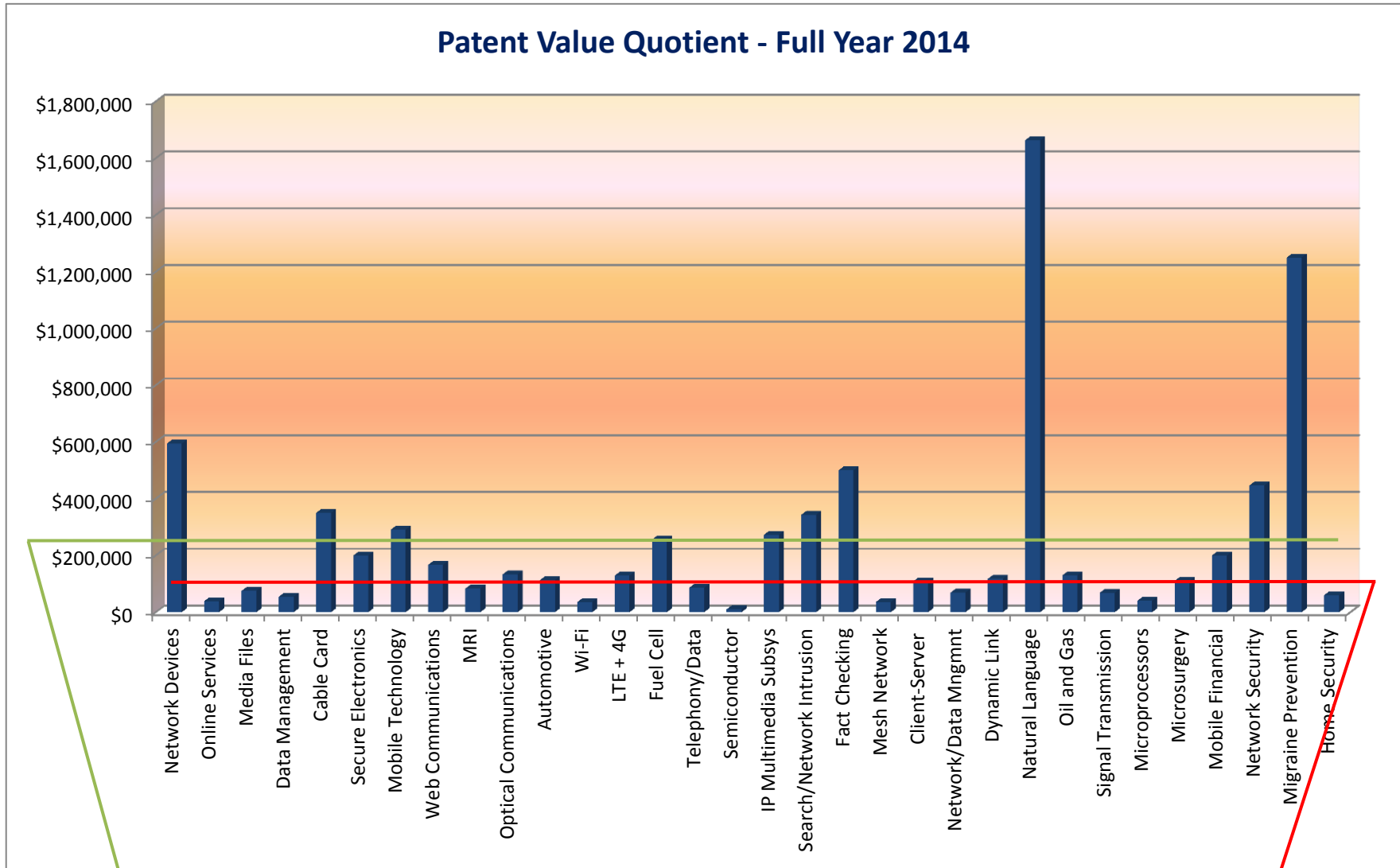


Transaction Month/Year	Seller	Buyer	Technology	Total Transaction	Number of Patents	(Average Paid per Patent) Quotient
January	Rockstar Consortium	Spherix Inc.	Network Devices	\$60,000,000	101	\$594,059
January	IBM Corporation	Twitter, Inc.	Online Services	\$36,000,000	930	\$38,710
January	[Broker]	Anonymous	Media Files	\$150,000	2	\$75,000
January	Intergraph Corporation	Vantage Point Technology	Data Management	\$600,000	11	\$54,545
February	[Broker]	Anonymous	Cable Card	\$350,000	1	\$350,000
February	[Broker]	Anonymous	Secure Electronics	\$200,000	1	\$200,000
February	Hewlett Packard Company	QualComm Incorporated	Mobile Technology	\$278,000,000	956	\$290,795
February	TeleComm Systems	CRFD Research	Web Communications	\$500,000	3	\$166,667
March	[Broker]	Anonymous	MRI	\$250,000	3	\$83,333
March	[Broker]	Anonymous	Optical Communications	\$400,000	3	\$133,333
March	Delphi Technologies	Loopback Technologies	Automotive	\$1,700,000	15	\$113,333
April	[Broker]	Anonymous	Wi-Fi	\$250,000	7	\$35,714
April	Unwired Planet	Lenovo	LTE + 4G	\$2,831,400	22	\$128,700
April	United Technologies	Ballard Power Systems	Fuel Cell	\$17,402,000	68	\$255,912
April	CyberFone Systems	Marathon Patent Group	Telephony/Data	\$3,280,000	38	\$86,316
May	Dongbu Hitek	Document Security	Semiconductor	\$1,150,000	115	\$10,000
June	Nokia	Inventergy Global	IP Multimedia Subsys	\$21,000,000	77	\$272,727
June	Selene Communications	Marathon Patent Group	Search/Network Intrusion	\$1,030,000	3	\$343,333
June	Private Inventor	LinkedIn	Fact Checking	\$4,000,000	8	\$500,000
July	[Broker]	Anonymous	Mesh Network	\$250,000	7	\$35,714
July	Microsoft Corporation	Rovi Corporation	Client-Server	\$28,000,000	258	\$108,527
August	Clouding Corporation	Marathon Patent Group	Network/Data Mngmnt	\$4,829,000	70	\$68,986
August	Interdigital	Rakuten	Dynamic Link	\$1,999,000	17	\$117,588
September	Dynamic Advances	Marathon Patent Group	Natural Language	\$6,653,078	4	\$1,663,270

Patent Value Quotient: Full Year 2014

Transaction Month/Year	Seller	Buyer	Technology	Total Transaction	Number of Patents	<i>(Average Paid per Patent)</i> Quotient
September	[Broker]	Anonymous	Oil and Gas	\$130,000	1	\$130,000
September	Acacia Research	Renasas Electronics	Signal Transmission	\$3,500,000	51	\$68,627
September	[Broker]	Anonymous	Microprocessors	\$120,000	3	\$40,000
September	Sarif Biomedical	Marathon Patent Group	Microsurgery	\$552,024	5	\$110,405
October	[Broker]	Anonymous	Mobile Financial	\$400,000	2	\$200,000
November	Prism Technologies	Internet Patents	Network Security	\$27,245,000	61	\$446,639
November	Jansenn Pharmaceuticals	Vivus	Migraine Prevention	\$5,000,000	4	\$1,250,000
December	[Broker]	Anonymous	Home Security	\$60,000	1	\$60,000
Average:						\$251,007
Median:						\$123,144

Patent Value Quotient: Full Year 2014



Average Price Paid per Patent 2014: **\$251,007**

Median Price Paid per Patent 2014: **\$123,144**



FULL YEAR 2014



Analysis: The Revised Full Year 2013 **Patent Value Quotient™** showed an Average Price Paid per Patent of \$228,306 and a Median Price Paid per Patent of \$170,000. The Full Year 2014 **Patent Value Quotient** showed a 10% increase in the Average Price Paid per Patent to \$251,007, but a 27% decrease in the Median Price Paid per Patent to \$123,144. We interpret the increase in the Average Price Paid per Patent as indicating an overall increase in the value of issued U.S. Patents, while the decrease in the Median Price Paid per Patent indicates that patents are being sold over a larger price range. In other words, overall demand for U.S. Patents is clearly up, with some patents bringing higher prices while other patents are still in demand, but at more modest prices.

Purpose: The **Patent Value Quotient** is provided as a public service to businesses, universities, inventors and other innovators – as well as patent brokers, patent auctions and IP professionals – to assist them in the sales and acquisition of U.S. Patents. The **Patent Value Quotient** is designed to be just one of many methodologies that is used to value intellectual property by reporting recent patent transactions. We issue the **Patent Value Quotient** on a quarterly basis, reporting each January, April, July and October on year-to-date patent transactions. The 2014 **Patent Value Quotient** was not published until February 2015 as we were waiting for SEC filings.

Methodology: The **Patent Value Quotient** reports on the average value (the quotient that is derived when the total transaction is divided by the number of issued U.S. Patents) for recent patent transactions. We attempt to ascertain how many issued U.S. Patents were in the transaction, so there will be transactions that include foreign patents and patent applications that are not assigned a value. When we have to compute the portion of the transaction that represents the value of the intellectual property (for example, when a company or business unit is purchased for its intellectual assets, and the value of the IP has to be isolated from the value of the business operations), we will provide an explanation of how we determined that value.

Sources: Transactions reported in the **Patent Value Quotient** come from publicly announced sales or acquisitions, and transactions reported to us by patent brokers, patent auctions, parties to a transaction, and other sources. When requested to do so, we identify the Seller and/or Buyer as “Anonymous.” The raw data we find may be supplemented by assignment records from the U.S. Patent and Trademark Office, SEC filings and other sources. *We make every effort to report patent sales accurately.* If you find a discrepancy, please bring it to our attention at pvq@ipofferings.com.

Accuracy: Every attempt is made to insure that all data reported in the **Patent Value Quotient** is accurate. If a party to a transaction provides us with corrected data about a transaction, we will correct our report when the next quarterly **Patent Value Quotient** is issued.

Feedback: We welcome input from the IP community regarding the data we collect and report. Please contact us at pvq@ipofferings.com.

Cash, Notes and Stock: Some patent acquisitions are made with a combination of cash and/or notes and/or stock. When that is the case, we value the note at its face value, and we compute the stock portion of the transaction based on the closing price of the company stock on the date of the transaction.

Questions and Comments: Please direct all inquiries and all transaction data to pvq@ipofferings.com.

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