

Company Overview



IP Monetization and Advisory Firm

Presented by:

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Adapt IP Overview

Adapt IP offers multiple avenues for IP value extraction and management

IP Transactions

Adapt IP assists clients with building acquisitions, sales and licensing campaigns. Licensing campaigns can either be strategic or litigation-driven.



IP Strategy

Adapt IP assists clients better understand the value of their IP within complex industries by assessing competitive landscapes, evaluate new partnership opportunities, IP management, etc.

IP Valuation & Disputes

Adapt IP develops valuations of IP assets for offensive or defensive disputes, licensing negotiations, M&A support and royalty rate assessments.

Adapt IP – Representative Engagements

Example IP monetization, valuation and strategy projects

IP Monetization

- Sell or Strategically License IP
- Assist Companies with Acquiring IP
- Building Licensing and Litigation Partnerships with Funding Sources and Management Teams
- Acquisition of Revenue-Producing Royalty Streams

IP Valuation & Dispute Support

- IP Valuation for Acquisition Support
- Early Case Assessments (potential damages, reasonable royalties, etc.)

IP Strategy

- Competitive Analysis (focused on IP)
- Develop and Evaluate Licensing Structures
- IP Management Planning and Best Practices
- Software Licensing Support

Adapt IP – Example Case Studies (Monetization)

Adapt IP seeks numerous deal structures and buyers to maximize value

Patent Portfolio Sales

Project: Publicly-traded IP Licensing Company

Adapt IP managed a patent portfolio with over 200 U.S. patents. Outcomes as of now:

1. Closed 6 different asset sales with 6 different buyers; 1 additional deal in negotiation (mix of product companies and financial investors)
2. Tech areas diverse, including automotive, eCommerce, networking and semiconductors

Patent Portfolio Sales

Project: Privately-held R&D Company

Client own(ed) about 75 U.S. patent assets; Adapt IP managing about 30 of those assets. Outcomes accomplished:

1. Closed 3 different transactions with two different buyers (product company and financial investor)
2. Tech areas include telecommunications and home automation

IP Monetization & Management

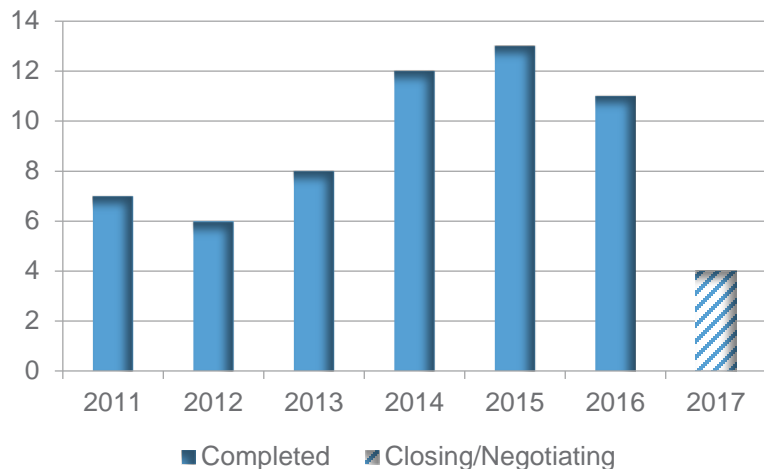
Project: Two Different Publicly-traded Product Companies

Adapt IP assisted two different publicly-traded product companies build IP monetization programs. Outcomes:

1. Identified investor groups to invest in and manage patent licensing and litigation efforts
2. Tech areas include speech recognition and eCommerce

Adapt IP – Patent Portfolio Monetization Experience

Industry experience primarily focused on high tech, telecom., semiconductors and software



As of January 10, 2016

Monetization

- Closed 55+ patent portfolio acquisitions and/or licensing partnerships
 - About 2/3rd of deals are upfront cash deals and about 1/3rd of deals are backend revenue sharing
- Deal structures have included sales to product companies and built partnerships
- Licensing partnerships have resulted in >70+ license agreements
- Licensing partnerships are primarily driven by backend revenue sharing

Adapt IP – Representative Engagements

Example IP monetization, valuation and strategy projects

IP Monetization

- Sell or strategically license IP
- Assist companies with acquiring IP
- Building licensing and litigation partnerships with funding sources and management teams

Recent technology categories:

1. Cloud storage
2. Clean energy
3. Home automation
4. Telecommunications
5. Social media / Location-based
6. Quantum computing
7. Mobile payments
8. Gesture control
9. Augmented Reality / Virtual Reality
10. Video Delivery / Editing

Adapt IP – Example Case Studies (Valuation and Strategy)

Adapt IP team members have assisted companies understand IP value and manage risk

IP Valuation

Project: Fortune 100 Tech Company

As part of a litigation settlement, the Company acquired the rights to a large portfolio of patents and needed a valuation for financial reporting purposes.

IP Strategy

Project: Fortune 500 Computer Hardware Company-

Client owns and operates tech related to the automotive financing industry. The client was approach by a customer to purchase a copy of the software.

Members of this team assisted the company: 1) evaluate an internally developed cost approach valuation, 2) conduct market research into industry participants, competing solutions, industry pricing, and pricing structures, and 3) assist in developing and evaluating possible licensing structures and strategic alternatives.

IP Litigation Support

Project: Top Tier Global Law Firm

Client was advising Global Fortune 50 company in developing a patent portfolio monetization program including licensing and litigation efforts.

Adapt IP was retained by outside litigation counsel to provide litigation support services to perform a pre-litigation value assessment of the IP and related market for potential licensing and litigation campaigns.

Adapt IP – Case Study

Case Study – IP Valuation

Case Facts

- **Practice Area:** IP Valuation
- **Service Provided:** IP valuation for financial reporting purposes
- **Industry:** Technology / Semiconductors
- **Client:** Fortune 100 technology company
- **Subject IP:** Patent Portfolio related to router / server technology

Case Introduction

A Fortune 100 publicly-held technology company that designs, manufactures, and sells Internet Protocol based networking products and services acquired the rights to a large portfolio of patents as part of a litigation settlement. The Company needed a valuation of the acquired IP rights for financial reporting purposes.

Our Involvement

Members of Adapt IP assisted the Company by performing a valuation of the patent portfolio which reflected the characteristics and risks related to the acquired IP as well as the appropriate fair value measurement standards (ASC 805¹). Specifically, we divided the patent portfolio into three sub-portfolios and valued each sub-portfolio at two points in time: a historical period prior to the acquisition and a future period subsequent to the acquisition. As part of our work, we also performed a detailed study of royalty rates of similar technologies, which was applied in our valuations.

Outcome

Using our valuation analyses, the Company was able to appropriately report the value of the acquired patent portfolio in the SEC financial filings.

1. Financial Accounting Standards Board Accounting Standards Codification ("ASC") Topic 450, Contingencies and ASC Topic 820, Fair Value Measurements.

Adapt IP – Case Study

Case Study – IP Strategy

Case Facts

- **Practice Area:** IP Strategy
- **Service Provided:** IP strategy for negotiation support purposes
- **Industry:** Technology / Enterprise Software
- **Client:** Fortune 500 technology company
- **Subject IP:** Suite of enterprise software related to finance and management

Case Introduction

Fortune 500 Company who owns and operates a large enterprise software solution based on proprietary technology was approached by a customer to purchase a copy of the enterprise software solution. The Company needed assistance related to the value of the software, a market analysis of competing solutions and licensing and negotiation support.

Our Involvement

Members of Adapt IP assisted the Company by:

- Providing feedback on an internal valuation
- Researching competing solutions to determine key feature comparability, illustrative clients, and any publically available cost / implementation / timing observations
- Developing and evaluating licensing structures, including: outline pricing options with related pros and cons, developing detailed scenarios available to the Company and the potential licensee, and determining the financial impact of each scenario
- Providing comments and strategic advice related to negotiation strategies

Outcome

Using our analysis and support, the Company was able to develop a licensing strategy and successfully negotiate a license to its enterprise software solution.

Adapt IP Ventures

Case Study – IP Disputes – Pre-Litigation Analysis

Case Facts

- **Practice Area:** IP Disputes
- **Service Provided:** Pre-litigation analysis for litigation support and strategic purposes
- **Industry:** Consumer Electronics and Video Delivery
- **Client:** Top tier law international law firm
- **Subject IP:** Numerous patent portfolios under consideration

Case Introduction

A Global Fortune 50 multinational is considering approaches to monetize a substantial patent portfolio. A leading law firm was retained evaluate licensing and litigation options. To better determine strategic alternatives, the law firm needed a pre-litigation assessment related to the potential financial impact of the litigation for a limited number of initial targets.

Our Involvement

Adapt IP performed a pre-litigation value assessment of the IP and related market related to a key licensing target. Specifically, we applied our knowledge of the target company and relevant market to perform a value assessment of potential historical and project financial exposure related to the Subject IP. As part of our analysis, we analyzed the Subject IP portfolio and evaluated the applicable market and key market participants. Adapt IP further reviewed 200+ patents and ranked those assets based off of internal review for deeper consideration into the monetization plan.

Outcome

Using our pre-litigation analysis, the law firm was able to better understand the financial impact of potential litigation and determine the best course of recommendation and action for their client.

Adapt IP Team

Considerable experience in valuing, managing and monetizing IP assets

Engagement Team

Grant Moss

Founder & President

Grant founded Adapt IP in 2011 to focus on partnering with innovative companies to help them manage and monetize their IP efforts.

Throughout his career, he has successfully managed numerous patent sales programs covering a diverse set of industries. In addition to transaction-related engagements, he has valued IP for acquisition, fundraising and litigation-related programs

Education:

-MBA, Emory Univ.
-B.A. Finance; Georgia State Univ.

Brian Bochicco

Vice President, Monetization

Throughout Brian's career, he has worked with IP covering electrical, computing, and business-method technologies. Brian previously consulted with AI Patents, an early-stage, semantic search engine company, worked for Landon IP as a Patent Analyst and the USPTO as a Patent Examiner in its Computer Architecture, Software, and Info. Security tech. center. Brian is also a Registered Patent Agent and an inventor.

Education:

-MBA, Univ. of North Carolina, Chapel Hill
-B.S., Electrical Engineer.; Univ. of Maryland

Scott Womack

Vice President, Valuation

Scott has more than 15 years of experience providing services related to IP valuations and IP litigation services to clients and their counsel. Scott has performed valuations on all types of IP for financial reporting, buy-side / sell-side deals, litigation risk analysis and proposed royalty stream structured finance transactions. He has also assisted clients with IP mgmt. & best practices and evaluated potential licensing structures. Scott was most recently with Deloitte's IP team.

Education:

-B.A. Finance, Georgia State University
-Certified Project Management Professional (PMP®)

Kaila Little

Director

Kaila specializes in developing patent portfolio monetization strategies, financial management, project management and marketing. Kaila is directly involved in all aspects of monetization and valuation projects include screening new clients, negotiating contracts, evaluating patented technologies, and preparing in-depth marketing materials related to various technical fields.

Education:

-B.A. Accounting, Auburn University

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