

Patent Due Diligence: do more for less

? What are the current challenges with due diligence?

Conducting patent due diligence is too time-consuming and expensive. There is too much patent data out there to review in a timely manner manually and IP teams are brought in too late in the process to have the greatest impact.

? Becoming more efficient paves the way to real risk mitigation and the opportunity to contribute with strategic insight.

Using CIPHER, performing due diligence on patent assets will save you time, reduce costs and allow for a robust approach.

? What does an efficient due diligence process look like in CIPHER?

Step 01

Identify your target

- Understand who owns what using an organisation search or patent upload
- Cluster the target portfolio by technology
- Analyse the portfolio over time or through a geographic lens
- Compare cost and quality metrics to reveal strategy, but also for budgeting and integration

Step 02

Compare your target to others

- Understand the portfolio in context by searching for similar organisations or selecting a comparison group
- Compare at portfolio or technology level
- Benchmark the portfolio using industry standards to compare portfolio size, growth rate, filing activity and quality scoring and ranking

Step 03

Assess the litigation risk

- Construct a peer group to uncover litigation trends by or against the target organisation
- Use the same group (or a broader cohort) to build a risk profile in the sector
- Filter by operating company or NPE to understand if they own patents in the same area as the target

Step 04

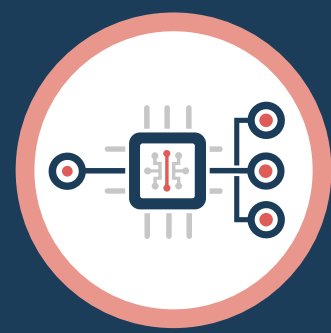
Focus on the right areas

- Using classifiers, focus on technology areas
- Map the target assets onto your own portfolio to identify areas of cross-over
- Gain more strategic insight into areas where further analysis is required

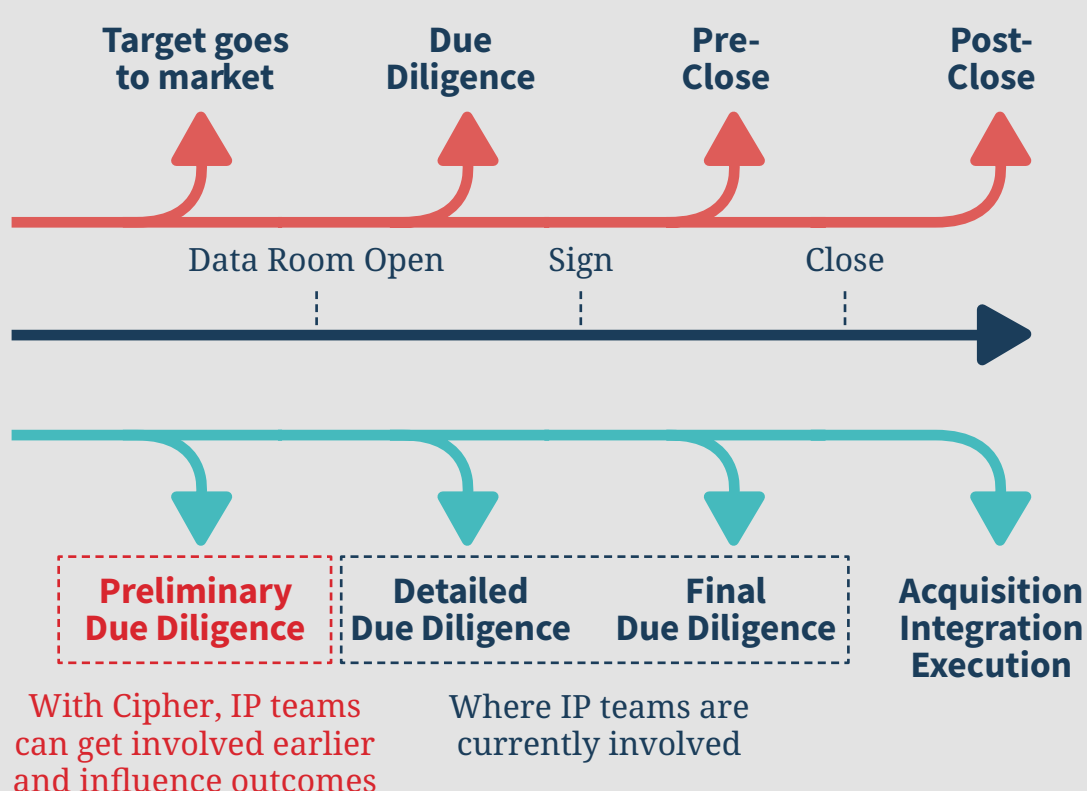
? With an efficient due diligence process in place, what opportunities does this give you?

Contribute more strategically to any due diligence process.

Respond strategically and be part of the deal team at the beginning. Having patent data at your fingertips will not only save costs and mitigate risk but will allow you to influence a deal right from the word go. Your data-driven insights will help to build a robust strategy in commercial transactions.



M&A Due Diligence Timeline



? Due diligence extends to all commercial transactions.

- **Licensing** - with the increased prevalence of portfolio cross-licensing, classification provides a compelling solution to calculating the balance of trade between the organisations.
- **Acquisition and divestment of patent assets** - due diligence can now include assessment of price, providing objective evidence of whether the transaction represents good value.
- **Inbound patent assertion** - when faced with a large portfolio (and little evidence of relevance) due diligence delivers rapid identification of those assets that pose a real-world threat.



With CIPHER you are able to:

- Proactively support M&A teams
- Efficiently provide strategic insight
- Mitigate risks and cost
- Help build a robust strategy

Get in touch with our support team to find out how you can benefit from a more efficient approach to due diligence.