

A round-up of IP-related quotes, observations and opinions from the recent past...

"Today, lots of investors and innovators in Silicon Valley, maybe the majority, would tell you the patent system is doing the exact opposite of what it's supposed to. It's not promoting innovation. It's stifling it. Because patent lawsuits are on the rise. Patent trolls are on the move. Patent lawsuits are so common now that it's hard to find even one semi-successful start-up in Silicon Valley that has not been hit with a suit, which slows innovation, makes it harder for companies to prosper, hurts our global competitiveness (is this getting big enough for you?), costs us all more money when we buy the stuff these companies sell." Excerpt from **When Patents Attack**, broadcast on US National Public Radio, 22nd July 2011.

"A new kind of bubble is inflating in tech and, like all the most alluring bubbles, this one is being pumped up by a potent combination: expansive claims from its promoters, some early deals that appear to "prove" the validity of the high prices being talked of, and a lack of transparency that makes it hard for investors to assess the real value of the assets at issue. You could call it the Great Patent Bubble of 2011. In the month since an auction of patents from the bankrupt Nortel Networks ended with a shockingly high bid of \$4.5bn, or five times the initial offer, the favourite game in tech circles has been to find the next big chest of buried gold." **Richard Waters**, West Coast Editor of the *Financial Times*, 27th July 2011.

"Google Inc. (NASDAQ: GOOG) and Motorola Mobility Holdings, Inc. (NYSE: MMI) today announced that they have entered into a definitive agreement under which Google will acquire Motorola Mobility for \$40.00 per share in cash, or a total of about \$12.5 billion, a premium of 63% to the closing price of Motorola Mobility shares on Friday, August 12, 2011. The transaction was unanimously approved by the boards of directors of both companies. The acquisition of Motorola Mobility, a dedicated Android partner, will enable Google to supercharge the Android ecosystem and will enhance competition in mobile computing. Motorola Mobility will remain a licensee of Android and Android will remain open. Google will run Motorola Mobility as a separate business." Press release announcing Google's acquisition of Motorola Mobility, 15th August 2011.

"Apple's Board of Directors today announced that Steve Jobs has resigned as Chief Executive Officer, and the Board has named Tim Cook, previously Apple's Chief Operating Officer, as the company's new CEO. Jobs has been elected Chairman of the Board and Cook will join the Board, effective immediately." Press release announcing **Steve Jobs'** decision to stand down as CEO of Apple, 24th August 2011.

"Douglas Clark, a barrister specialising in intellectual property cases who has worked in China since 1993 says the size of the industry has surged in recent years. "The last 10 years have seen a huge growth in the number of IP lawyers employed in firms and in-house," he said. "At the very top level for partners there's very strong competition for talent and strong salaries." He estimates an IP partner in an international law firm in China can now expect to earn around \$1 million to \$2 million depending on how well their firm does that year. Partners in some Chinese firms are likely to earn even more." Extract from a **Reuters** report, *China's telecom patent boom heralds innovation era*, 24th August 2011.

"What we are selling is the part of the portfolio that does not apply to the core investments and the future of the company... This is the right time ... The conversations are going. We are hoping quickly to get to a good conclusion." **Kodak CEO Antonio Perez** speaking about a proposed sell-off of a portion of the company's patent portfolio, 29th August 2011.

"What they bought is crap ... Motorola sold off its good assets. Back in the day they sold off their MPEG patents to GE in a securitization deal, after that they took a bunch of the Freescale patents and sold those." **David Martin**, founder and chairman of patent consulting firm M-Cam, commenting on Google's purchase of Motorola Mobility on Bloomberg, 31st August 2011.

"MOSAID Technologies Inc. today announced that it has acquired Core Wireless Licensing S.a.r.l. ("Core Wireless"), a Luxembourg company that holds a portfolio of 400 patent families, consisting of approximately 2,000 wireless patents and patent applications originally filed by Nokia. Core Wireless will operate as a wholly owned subsidiary of MOSAID." MOSAID press release, 1st September 2011.

"Over the years, Nokia has developed one of the world's highest-quality patent portfolios in the mobile phone industry, representing decades of innovation as a worldwide leader in the field. We are pleased to have secured a license to the Nokia patents now acquired by MOSAID for Microsoft's products and services. In return, we have a passive economic interest in the revenue generated from the licensing of those patents to third parties. The marketplace for intellectual property is incredibly dynamic today, and this agreement is an effective way to make these Nokia innovations available to the industry and to unlock the considerable value of this IP portfolio." Statement from **Horacio Gutierrez**, vice president of IP at Microsoft, 1st September 2011.

"Google has clearly built the stature it needs to walk into broad cross-licensing negotiations which will likely be the end game in all of this as it was in the semiconductor manufacturing industry in the late '70s and early '80s." **Art Monk**, vice president of US patent brokerage at UBM TechnInsights, commenting on Google's Motorola Mobility acquisition on the *IAM* blog, 5th September 2011.

"ICAP Patent Brokerage, a division of ICAP plc, today announced that it is now accepting sealed bids for its upcoming Covenant Not to Sue (CNS) Auction on September 27th. The CNS agreements for sale in this auction are designed to release qualified operating companies with winning bids from current and potential future patent litigation. With only 22 covenants for sale and over 400 current and potential defendants, the supply of covenants is very limited. The covenants are being offered for sale on behalf of plaintiffs in current patent litigation and owners of patent portfolios." ICAP press release, 15th September 2011.

"RPX Corporation (Nasdaq:RPXC) today announced the pricing of its follow-on offering of 3,000,000 shares of its common stock at \$20.49 per share. RPX will sell 1,400,000 shares and selling stockholders will sell the remaining 1,600,000 shares in the offering. In addition, the underwriters have been granted a 30-day option to purchase up to an additional 450,000 shares of common stock from the selling stockholders." RPX Corp press release, 15th September 2011.