

A Venture Capitalist's Perspective of IP

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VC Context

- ⦿ Early-stage, pre-revenue, high-tech investments
- ⦿ Complex IP environment
- ⦿ High uncertainty of future value
- ⦿ Challenge of “commercialization” is high
- ⦿ Competitive market opportunities
- ⦿ Ambition for big outcome = expectations!

Perspectives on IP

- ⊗ Value of intangible assets – knowledge workers
- ⊗ Comprehensive definition of IP, not just tech patents
- ⊗ Resistance to change
- ⊗ Sustainable competitive edge requires investment
- ⊗ Strategic business imperative

Negotiating value

- ⊙ Entrepreneur's perception of value
- ⊙ VC's perception of value
- ⊙ Initial valuation at investment
- ⊙ How much does future value depend on IP?

How is future value created?

- ⊗ Unpredictable development path
- ⊗ Complex, interconnected ecosystems
- ⊗ Constantly changing competitive landscape
- ⊗ Future value, ROI, depend on timing

Major factors in success

- ⦿ Value is created by entrepreneurial skills.
- ⦿ Technology is just a tool.
- ⦿ Flexibility, persistence, resourcefulness are key.