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Leveraging the Value of Systems Patents

OTTAWA, Ontario, Canada, December 7, 2009 – Companies both within and outside the semiconductor industry are leveraging the value of systems patents in order to generate licensing revenue and reduce royalty payments. In some cases, it may be a semiconductor company looking to monetize systems patents. In others, it may be a computing firm defending itself in a patent litigation.

“This is a significant, widespread trend involving the world’s leading companies in semiconductors, consumer electronics, computing and telecom, to name a few,” said Terry Ludlow, Founder and CEO of Chipworks. “Companies are realizing the value of their patents that cover technology from the chip to the printed circuit board, to the electronic system, to the product. They are turning to Chipworks to deliver the in-depth analysis needed to fully leverage that value in the market.”

Independent experts like Chipworks (www.chipworks.com/systems.aspx) are providing integral support to Intellectual Property (IP) groups and their outside counsel in driving the development of systems patent licensing programs and helping them achieve favorable outcomes in licensing negotiations and litigations.

For example, an electronics company suspected a large competitor of infringing on its patents in various consumer electronics products. Supported by its law firm, the company approached the competitor seeking a license deal but was quickly dismissed. Knowing its client needed a stronger case, the law firm contacted Chipworks to obtain credible evidence of infringement that would stand up in negotiations and in litigation, if necessary. Chipworks provided a combination of circuit and systems functional testing and developed several claim charts documenting evidence of use. The electronics company reached a licensing deal worth more than 150x its spend on Chipworks. The law firm was able to strengthen its relationship with the client by helping to turn around negotiations.

“Chipworks did great work for us. I would not hesitate to work with them again,” commented the Litigation Partner at the Global Law Firm.

Chipworks combines multiple techniques like circuit and systems analysis to not only increase the likelihood of identifying and documenting evidence of use but also to do so as cost effectively as possible. Its dedicated team of in-house engineers possess decades of forward design experience in multiple industries as well as deep expertise in reverse engineering. This skill level, combined with state of the art tools and equipment, helps IP groups and law firms creatively tackle the most complex technical and systems patent analysis requirements.

About Chipworks

Chipworks is the recognized leader in reverse engineering and patent infringement analysis of semiconductors and electronic systems. The company’s ability to analyze the circuitry and physical composition of these systems makes it a key partner in the success of the world’s largest semiconductor and microelectronics companies. Intellectual property groups and their legal counsel trust Chipworks for success in patent licensing and litigation – earning hundreds of millions of dollars in patent licenses and saving as much in royalty payments. Research & Development and Product Management rely on Chipworks for success in new product design and launch, saving hundreds of millions of dollars in design, and earning even more through superior product design and faster launches. Headquartered in Canada, Chipworks maintains offices in the USA, Japan, Korea, and Taiwan.

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