



PATENT

ACTION

FORECAST

Express

Prepared for:

EXAMPLE COMPANY

10/6/2016

PREPARED ON BEHALF OF

Example Company

ADVERSARY ENTITY NAME

Data Distribution Technologies

ADVERSARY'S PATENT

6,529,908

REPORT ID NUMBER

E201600001

PREPARED BY

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HOW THIS REPORT WORKS

This report is designed to be your first line of defense in a patent dispute. It analyzes four key areas of your dispute and answers the following questions:

- **The Demand Letter:** Does this meet the standards of a credible demand letter?
- **Your Adversary's Entity Type:** What type of company sent this letter? What do they want?
- **Your Adversary's Litigation History:** Has this company sued anyone? Do they usually win?
- **The Patent's Litigation History:** Is this a strong patent? Has it been used to sue anyone?

Your risk summary score is 77/100. This indicates high risk. We recommend that you seek the advice of a competent attorney.

COLOR SCHEME

Does a factor or condition **favor you**, or **your adversary**? To make clear what a certain chart or insight means for you we have color coded results to indicate how much they help or hurt your situation.

YOUR RISK SUMMARY

77
HIGH RISK

YOU

ADVERSARY



The demand letter is determined to have **WEAK CREDIBILITY** based on our scoring metrics.

VERY STRONG

STRONG

WEAK

VERY WEAK

CATEGORY	STATUS	POINTS	NOTES
IS THE LETTER CORRECTLY ADDRESSED?	Yes	1/1	Increases credibility.
IS A PATENT NAMED?	Yes	1/1	Increases credibility.
IS AN AMOUNT REQUESTED?	Yes	1/1	Increases credibility.
IS THE AMOUNT SPECIFIC TO YOUR BUSINESS PRACTICE?	No	0/1	Each of these may indicate that the demand letter was sent in bulk to a large number of companies. It may also indicate that the sender did not do significant due diligence on your company. This may signal that the threat is less credible than if these were included.
IS ONE OF YOUR PRODUCTS OR SERVICES MENTIONED?	No	0/1	
IS EVIDENCE PRESENTED THAT YOUR PRODUCT OR SERVICE INFRINGES THE PATENT?	No	0/1	
IS SUITABLE CONTACT INFORMATION PROVIDED?	Yes	1/1	Increases credibility.
IS THERE AN OFFER TO NEGOTIATE?	No	0/1	Forthright patent licensors are typically eager to negotiate.
IS A COPY OF THE PATENT PROVIDED?	No	0/1	Including a copy of the patent is considered courteous and shows sophistication.
IS A LIST OF PREVIOUS LICENSES PROVIDED?	No	0/1	Successful patent licensors will often indicate companies that have previously accepted licenses. If this is included, there is a stronger possibility the sender is a legitimate technology licensor.
IS YOUR ADVERSARY'S LEGAL REPRESENTATION DISCLOSED?	Yes	1/1	Increases credibility.
TOTAL		5/11	WEAK CREDIBILITY This demand letter detracts from your adversary's credibility and the seriousness of the threat.

Your adversary is categorized as a **PRIVATE NON-PRACTICING ENTITY**. This has important implications for how the company should be dealt with. These are summarized below.

PUBLIC NON-PRACTICING ENTITY

▶ PRIVATE NON-PRACTICING ENTITY

PUBLIC OPERATING COMPANY

PRIVATE OPERATING COMPANY

INDIVIDUAL

CATEGORY	RESULT	WHAT THIS MEANS FOR YOU
ADVERSARY NAME	Data Distribution Technologies	This is the name of the company or person that sent the demand letter. It is referred to throughout this report as your adversary.
TYPE OF ENTITY	Private Non-Practicing Entity	"Private" means that the company is not traded on a stock exchange. This means that they are usually smaller and more secretive. "Non-Practicing Entity" means that this company does not appear to provide goods or services. Sometimes referred to as "Patent Trolls" these types of companies get revenue by licensing intellectual property (patents) to companies like yours.
THREAT MOTIVATION	Licensing Revenue	This is the reason this company sends demand letters. To be blunt, it doesn't want to stop you from doing business, it just wants a cut of the cash. Sometimes a competitor will use patent rights to gain an advantage in the marketplace. However, Non-Practicing Entities like this are generally motivated by getting licensing revenue.
INFORMATION AVAILABILITY	Very Low	Private Non-Practicing Entities are usually highly secretive. Because it is not traded on an exchange it does not have to disclose financial information to the public.
RESOURCES	Variable	This is how much money and how many lawyers an entity can put toward a patent dispute. It is generally very difficult to determine a Non-Practicing Entity's available resources because they are generally so secretive.
COUNTER OPPORTUNITIES	Invalidation	Due to your adversary's business model, it is not vulnerable to counter measures such as a counter patent suit. However, since its business model depends on licensing patents, it may be particularly vulnerable to an invalidation of its patents. You may want to look into (or ask an attorney) about an Inter Partes Review (IPR) of your adversary's patent assets.

Your adversary has **ESTABLISHED** litigation experience. This indicates it is willing to start a lawsuit if an agreement isn't reached. It knows how lawsuits work and likely has access to experienced lawyers. You should take any threat of litigation from this adversary seriously.



CATEGORY	RESULT	EXPERIENCE SCORE	WHAT THIS MEANS FOR YOU
NUMBER OF PATENT LAWSUITS FILED	6	+80/100	More lawsuits as plaintiff indicate a more aggressive temperament and a higher likelihood of suing companies in the future (such as yours).
NUMBER OF PATENT LAWSUITS WON	0	+0/100	No lawsuits won can mean several different things. Your adversary may be unwilling to go all the way through completing a lawsuit or they may appear strong enough that their opponents always settle.
NUMBER OF PATENT LAWSUITS LOST	0	+0/100	No losses can indicate a particularly strong patent and legal team. However, this should be compared against number of lawsuits won for context.
NUMBER OF PATENT LAWSUITS SETTLED	6	-12/100	Having settled all of its cases shows that your adversary is willing to negotiate. This is good for you. They may be unable or unwilling to engage in a drawn-out battle.
NUMBER OF ONGOING LAWSUITS	1	+0/100	If you hire an attorney, he or she may be able to gain insight about your case by reviewing other cases by this company.
TOTAL EXPERIENCE SCORE		68/100	This company is familiar with patent lawsuits and will not hesitate to file suit. However, they have limited experience in drawn-out conflicts.

This patent has undergone significant verification and has **STRONG** credibility compared to other patents. Although defeating it in court is always a possibility, it is advisable to treat it as a legitimate threat unless explicitly directed otherwise by an attorney.

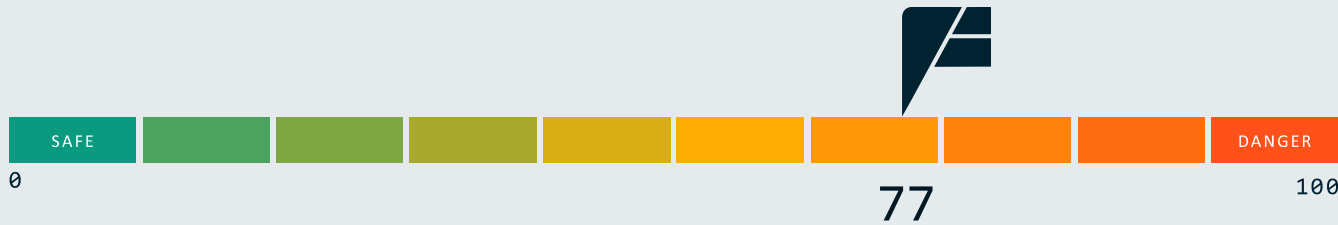
VERY STRONG

STRONG

UNKNOWN

QUESTIONABLE

QUESTION	ANSWER	NUMBER OF TIMES	CREDIBILITY SCORE	WHAT DOES THIS MEAN FOR YOU
HAS THIS PATENT BEEN REISSUED OR INVESTIGATED AT PTAB?	PTAB In Progress	1	+0/100	This patent is currently undergoing investigation at the Patent Trial & Appeal Board (PTAB). If it survives, its strength will increase. If not, all or part of the patent will be invalidated and no longer a threat.
HAS THIS PATENT BEEN INVOLVED IN A LAWSUIT	Yes	5	+75/100	The vast majority (98%) of patents are never litigated. If a patent is litigated, it is a strong indicator that its owners are confident about the patent's credibility.
HAS THE PATENT BEEN LITIGATED TO A TRIAL?	No	0	-10/100	Although this patent has been involved in multiple lawsuits, it has never been formally tested at trial. This adds a bit of uncertainty about its true strength.
WAS IT FOUND TO BE A VALID PATENT?	Not Tested	-	-	If tested, this would be a very strong indicator of patent strength.
WAS A PRODUCT FOUND TO INFRINGE THE PATENT?	Not Tested	-	-	If tested, this would be a very strong indicator of patent strength.
DID THE FINDING SURVIVE AN APPEAL?	Not Tested	-	-	If tested, this would be a very strong indicator of patent strength.
TOTAL CREDIBILITY SCORE			65/100	This is a STRONG credibility score. We advise that you take this patent very seriously unless explicitly advised otherwise.



RISK SCORE

77
HIGH RISK

ASSESSMENT

SECTION	SCORE CONTRIBUTION	RESULT
DEMAND LETTER CHECKLIST	5/15	WEAK CREDIBILITY
ADVERSARY	12/15	PRIVATE NON-PRACTICING ENTITY
ADVERSARY LITIGATION REVIEW	30/35	ESTABLISHED
PATENT LITIGATION REVIEW	30/35	STRONG CREDIBILITY
TOTAL	77/100	HIGH

We categorized your adversary as a **Private Non-Practicing Entity** with **an established track record of patent litigation**. The patent has **strong credibility**. The demand letter has **weak credibility**.

Based on this information we recommend that you take this threat seriously and seek the advice of a competent attorney.

Additionally, we recommend that you consider purchasing a Patent Action Forecast-Comprehensive Report. This report goes into much greater detail about your adversary, its legal representation, the patent, likely courts and judges, and more. It is the ultimate guide to fully understanding your patent dispute situation so you make the most informed decisions.

ANALYSIS

Although the demand letter is lacking, strong scores in each of the other areas have pushed this dispute into the high risk category. The two most influential categories Adversary Litigation Review and Patent Litigation review both scored highly. These are strong indicators that your adversary will not shy away from filing a lawsuit. However, it is important to note that this company has always reached a settlement before the trial actually begins and it's patent is really put to the test. Settlements are almost always kept strictly confidential so we don't know which side ended up backing down. The key takeaway is this company and any threat it makes should not be ignored.

We understand that this whole process can be very unsettling. You are not alone. If you have questions or concerns you may contact the Patent Action Forecast analyst who prepared this report directly at info@patentactionforecast.com.



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- Adversary Law Firm Skill Assessment
- Probable Litigation Timelines
- Adversary Law Firm Aggression
- Litigation Cost Assessor
- Patent Validity Analysis
- In-Depth Demand Letter Checklist

SAVE 30%

With Purchase of Express Report

The Comprehensive Report is the ultimate report for anyone facing a risk of a patent lawsuit or wants a statistically-driven assessment of his or her patent dispute. As always, Patent Action Forecast delivers actionable information in plain, easy-to-understand language.

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