



## **WHY CONDUCT A FREEDOM TO OPERATE ANALYSIS (FTO)?**

It is not uncommon during our due diligence phase of a company's intellectual property to uncover short term liabilities that put the company at risk should one of their competitor decide to flex their "IP muscles".

The reality is that patent litigation in the U.S. costs \$5M on average and very few businesses can sustain the costs and the uncertainty during the years of litigation. It is therefore paramount to understand if your business is or will be infringing the intellectual property of a third party, whether a competitor or a Non-Practicing Entity (NPE).

We can conduct Freedom to Operate (FTO) analyses comparing your actual or planned product or service to existing and pending patents in the same field. These can encompass a detailed review and analysis of hundreds of relevant patents (issued and pending) in any given market that could hinder your ability to launch or pursue the sale of a product. Our report allows you to discretely "design around" those relevant issued and pending patents, reconsider your Go-To-Market strategy, or procure a license to such patents at much lower costs and therefore prevent any possible litigation. In some cases, it is possible to buy IP insurance protection or even acquire the patent outright (anonymously) via our brokerage services.

The deliverable is a comparison of your product against all issued and pending patents in a specific country or set of countries. We first analyze the product and define a search taxonomy. Then our technical team will go through hundreds of related patents and applications and compare the claims thereof with your product. We go through several cycles of triage until we settle with the most relevant ones and we analyze them further and point to relevant similarities and the corresponding claim. Please note that, by design, this is not meant to be a legal opinion to be used in court. Those would cost an order of magnitude more and usually only review and analyze a very small number of patents.

Delivery of the report is followed by a 1-2 hour conference call to go through the results. (We try to avoid creating any further paper trail that may create some discoverable documents in the case of an eventual litigation). In order to start, we usually need a full specification or description of the product and its main features.

The total fee for this full project is generally around \$5500, assuming we cover one product or line or related products.

If you would like to receive a formal quote and see a sample FTO report, please contact us at:

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Or call us at +1 (425) 868-9280