



The Emerging Risk

A study of the worldwide patent landscape related to blockchain technology

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My Roles

- Partner at Rimon PC
- Co-Founder Blockchain IP Council
- Advisor to Bloccelerate
- Advisor to Blockchain Projects

Setting the Stage

What is a Patent?

- A right granted by the relevant jurisdiction
- An exclusive right to make, use, or sell the protected innovation
 - Machine (including computer architectures)
 - Process (including software functions)
 - Article of Manufacture (media with code)

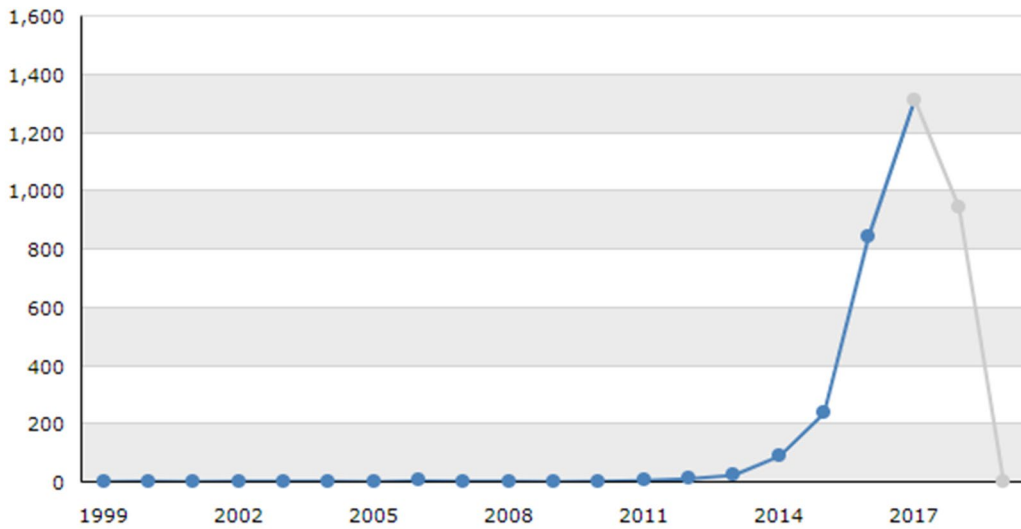
What leverage does a patent owner have?

- Petition court for an injunction
- Get money damages
- Make you life difficult!

Why should I be concerned?

- Open Source
- Distributed architecture
 - No central control
 - Multiple jurisdictions

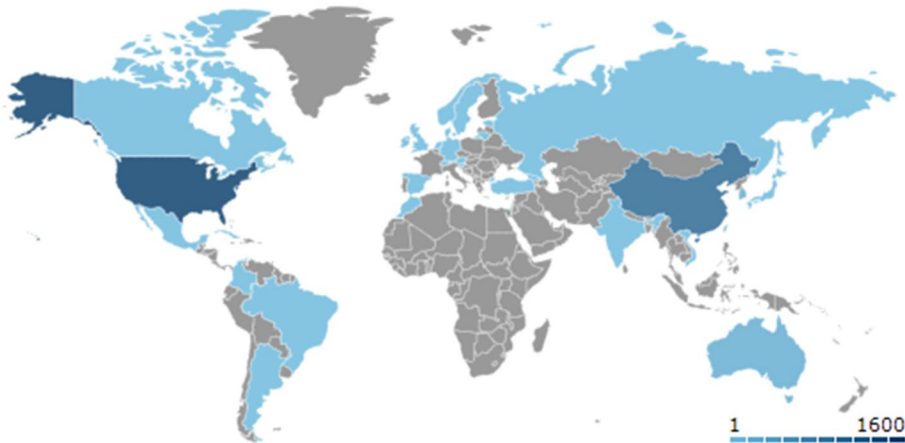
The Patent Landscape



Technology investment trend over last 20 years

Overview:

- 3467 patent families
- 598 families with granted patents
- Large increase since 2012
- Worldwide protection
- Pending PCTs and EPO applications.



+ 1067

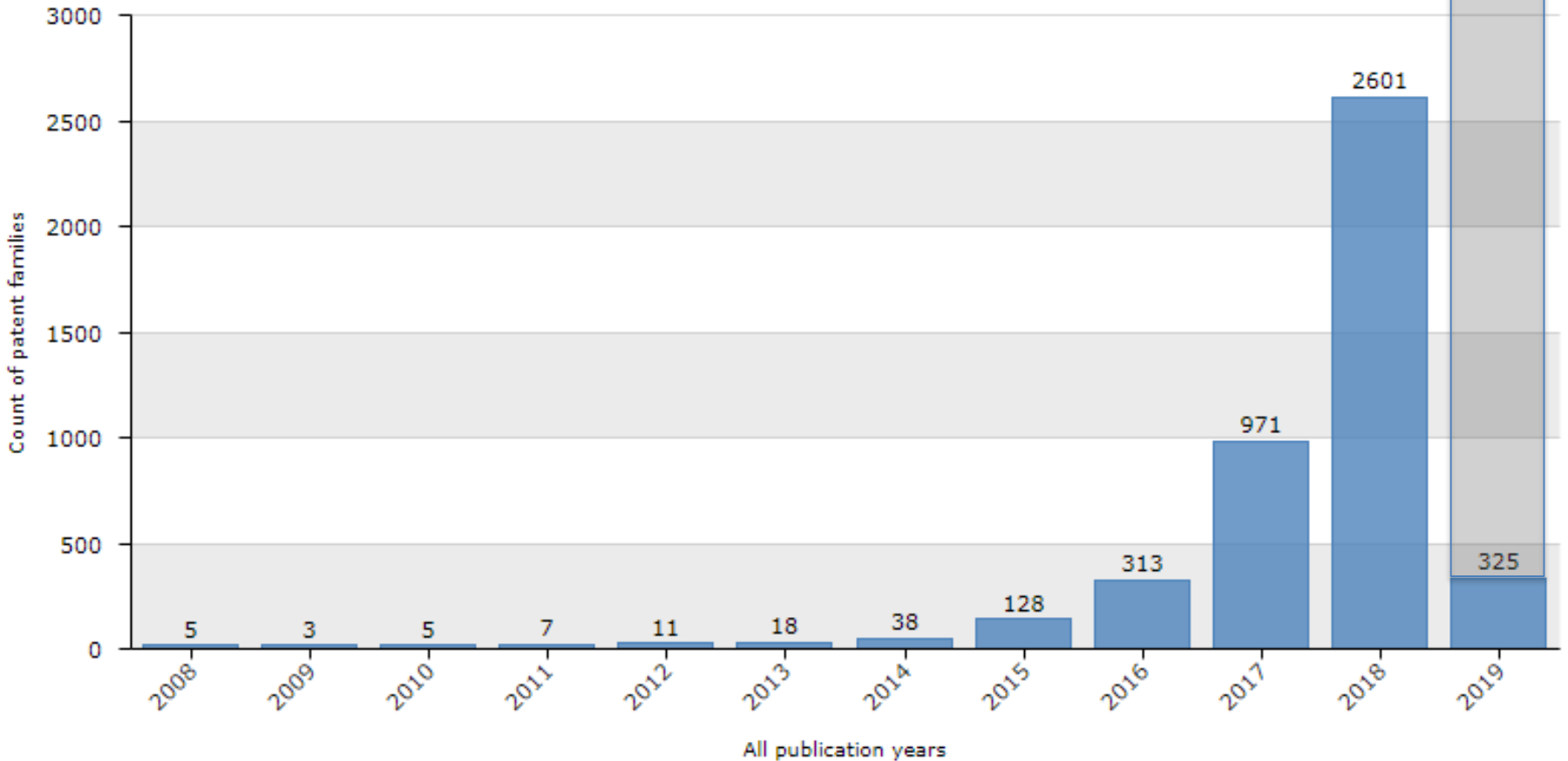
Inventions containing EP applications

+ 1076

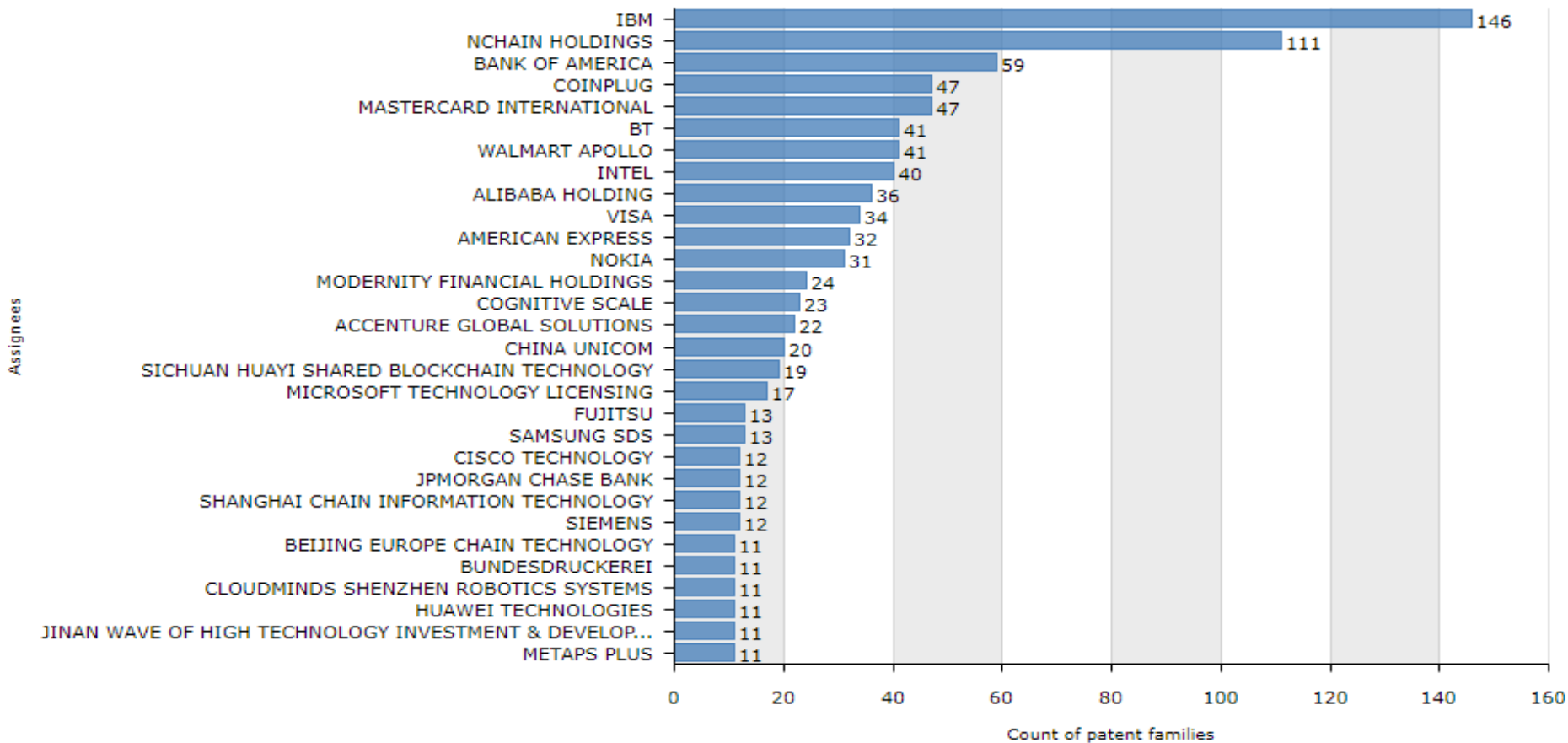
Inventions containing WO applications

Market coverage

Publication Trend

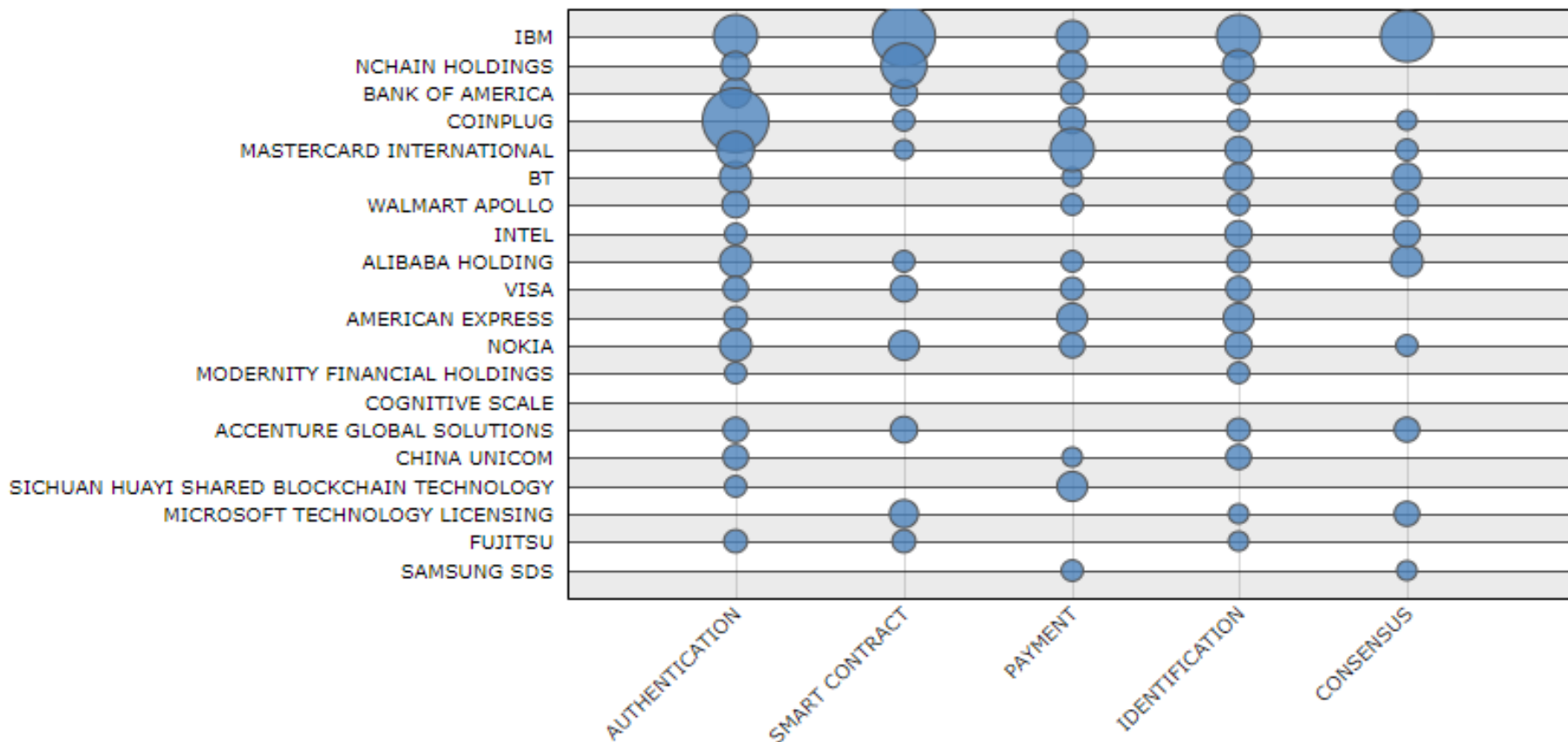


Who is filing?

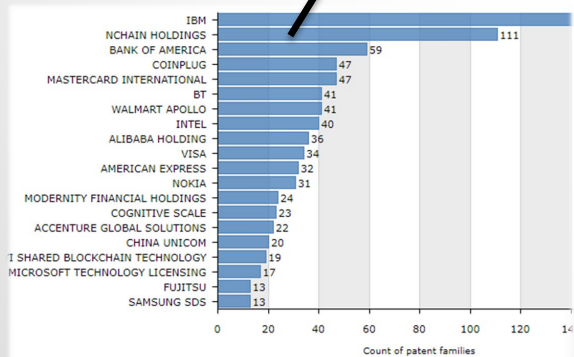
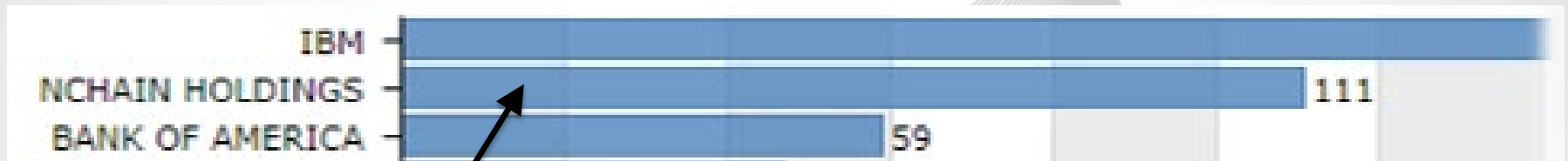


Technical Concepts

Assignees



Nchain/EITC Holdings





Because of its world-class expertise, nChain is often asked to help businesses around the world with their blockchain projects. Answering this need, nChain's new professional services unit will help clients develop blockchain solutions that implement nChain's intellectual property assets.

(emphasis supplied)

Nchain on Blockchain Patents

- “This ... marks a major milestone in Nchain’s ambitious research and patent program, which started approximately two years ago,”
- “We intend to make key IP assets available for free usage only on the Bitcoin Cash blockchain”
- CEO, Jimmy Nguyen, Bitcoin.com September 2018.
- <https://news.bitcoin.com/nchain-to-offer-smart-contract-patents-exclusively-to-the-bitcoin-cash-community/>

Things to Think About



What we have: An Environment for Litigation

- New competitors in a new space
- Failed companies looking to liquidate
- Increasing:
 - Patent filings
 - Commercial applications
 - Revenue
- Recipe for *excessive* patent litigation

What we want: An Environment for Innovation

- Balance rewarding innovation with providing reasonable freedom to operate:
 - Royalty bearing patent pools
 - Defensive patent communities
 - Educating patent examiners to increase patent quality

Internal Patent Strategies (the best defense is an offense)

- Protect your own innovation (file and prosecute)
- Purchase/license necessary rights

Take-aways



- Players are filing a lot of patent applications
- Use of open source software does not remove risk
- The solution includes:
 - Community strategies
 - Internal strategy

Thank you!

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