

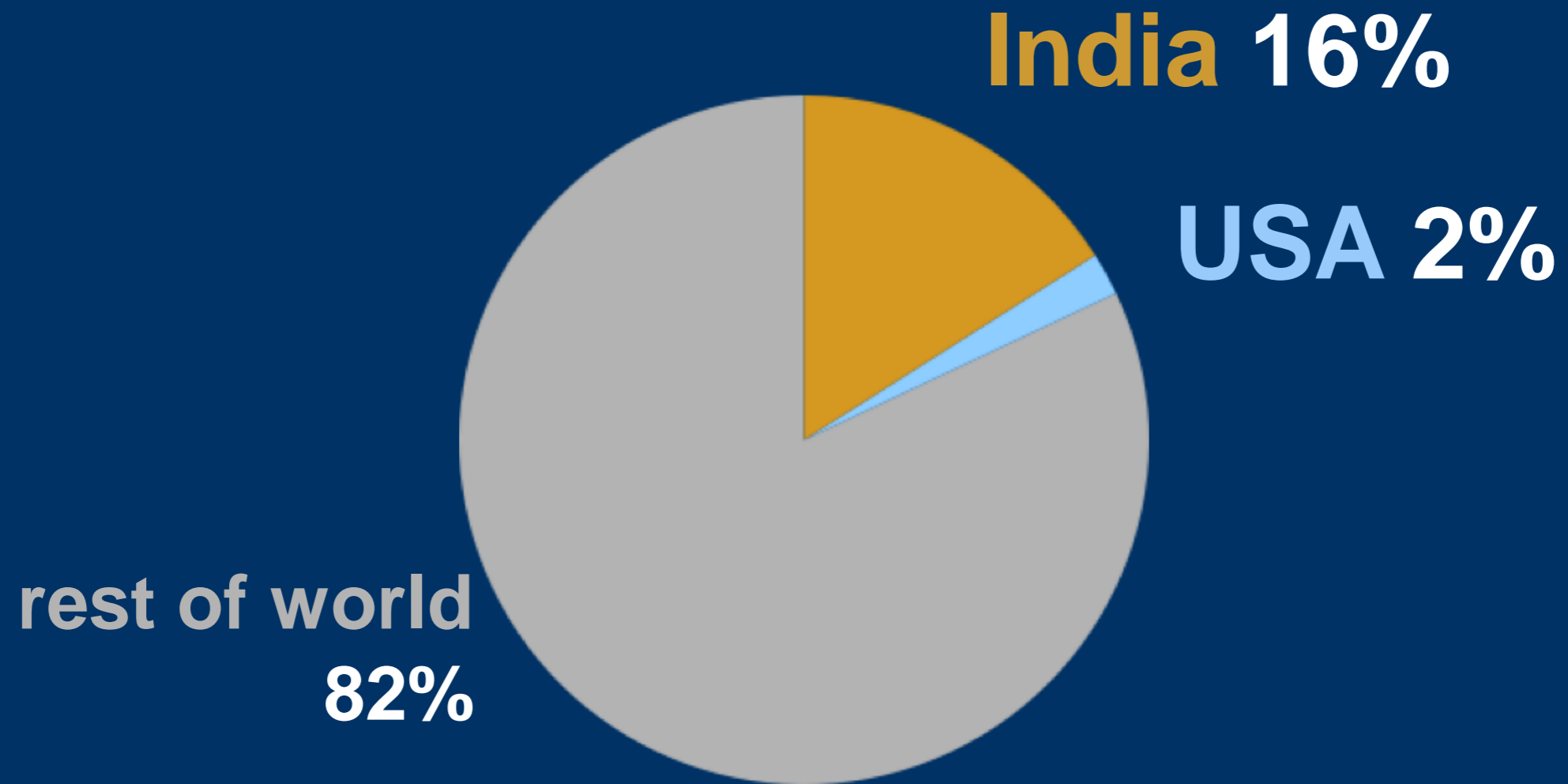
A close-up photograph of a person's hand, palm facing forward, with the index finger pointing upwards. A circular button with the word 'START' written on it is positioned on the tip of the index finger. The background is a blurred white surface.

START

invented

in India

share of world GDP: 1840



“Our future progress and prosperity depend upon our ability to equal, if not surpass, other nations in the enlargement and advance of science, industry and commerce. **To invention we must turn** as one of the most powerful aids to the accomplishment of such a result.”

US President William McKinley
Annual Address, 1899

golden age of **invention**

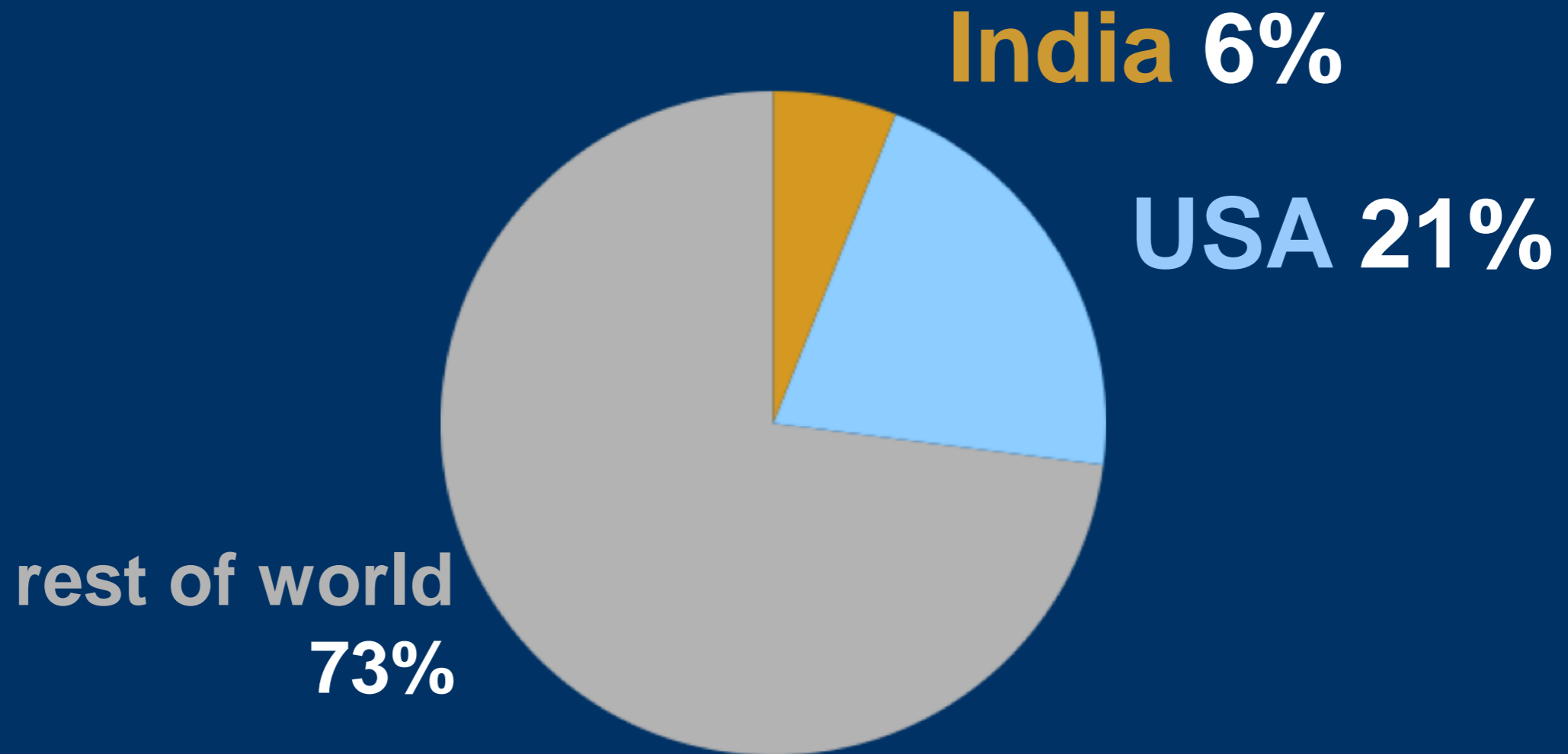
radio telephone vaccine
movie
lightbulb laser **automobile**
surgery **x-ray** medical device
airplane television computer
camera **games & toys**



**“...innovation
will be the
currency of
the twenty-
first century.”**

President Barack Obama
– June 4, 2009,
Speech at Cairo
University, Cairo,
Egypt.

share of world GDP: **now**



a growth of **950%** in 150 years

India suffers from a chronic **IP trade deficit**

\$3.7 billion

payment of royalties &
license fees

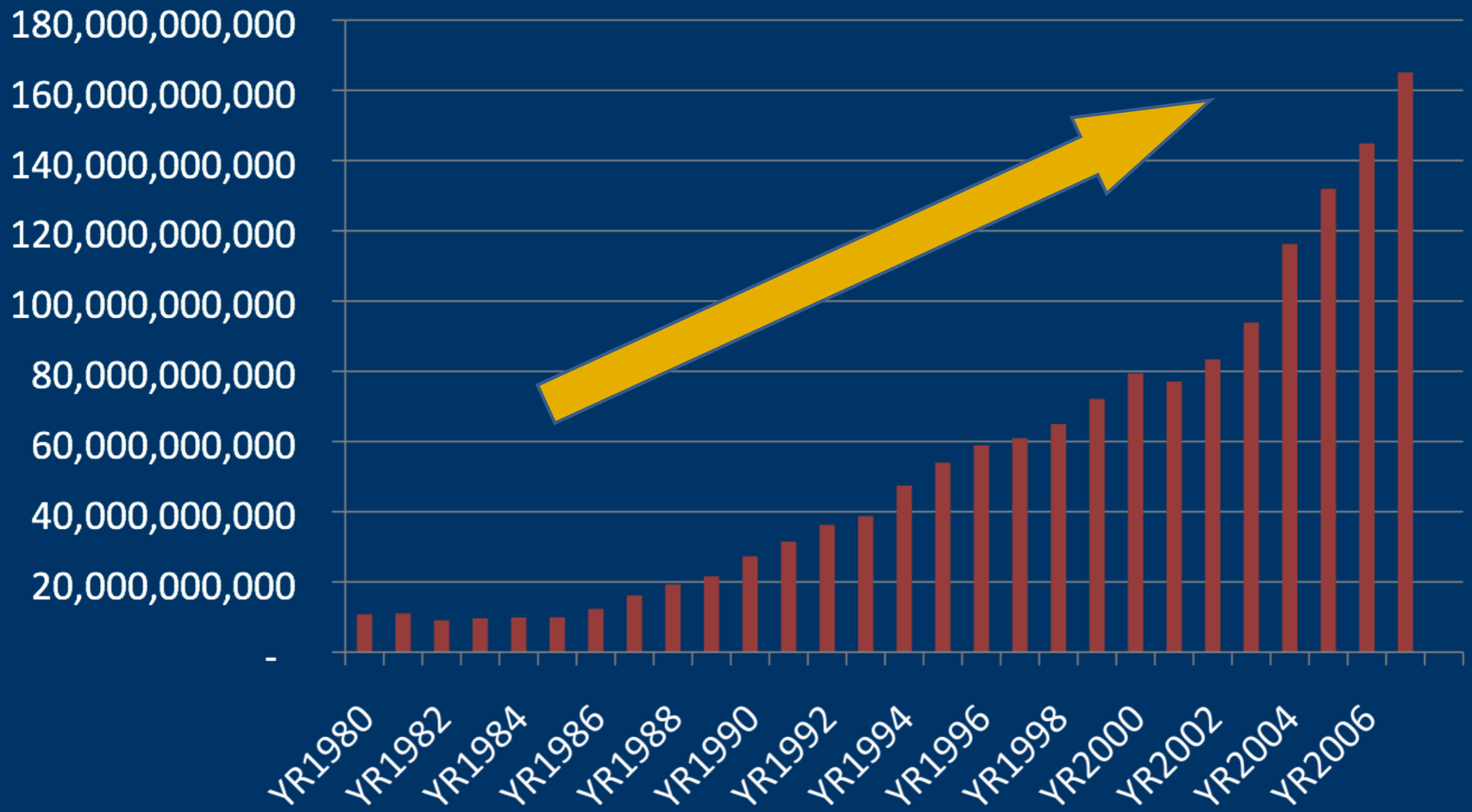
less (-) **\$410 million**

receipt of royalties &
license fees

\$3.3 billion deficit

* 1995 - 2005 data

Global Royalty Receipts



Source: World Bank Indicators Database, International Monetary Fund, Balance of Payments Statistics Yearbook and data files.

Intellectual Ventures LLC
July 2009

**Indian universities &
research institutes share of
global licensing revenue is
only 0.0011%**

**universities & research institutes
in India**

\$1.5 million

global

\$130 billion

* 2005 data

yet India has **World class** **thinkers & research**

15,000 science & engineering
research papers

2% of world share

volume of published science
& engineering articles

ranked 15th globally

17,000 US patent applications

0.4% of world share

* 2005 data

... what happened?

	India	USA
GDP	\$3 trillion	\$14 trillion
licensing revenue	\$1.5 million	\$1.5 billion

if the market size is normalized to USA, India should have **\$321 million per year** in licensing revenue

**revenue gap of
\$319.5 million per year**

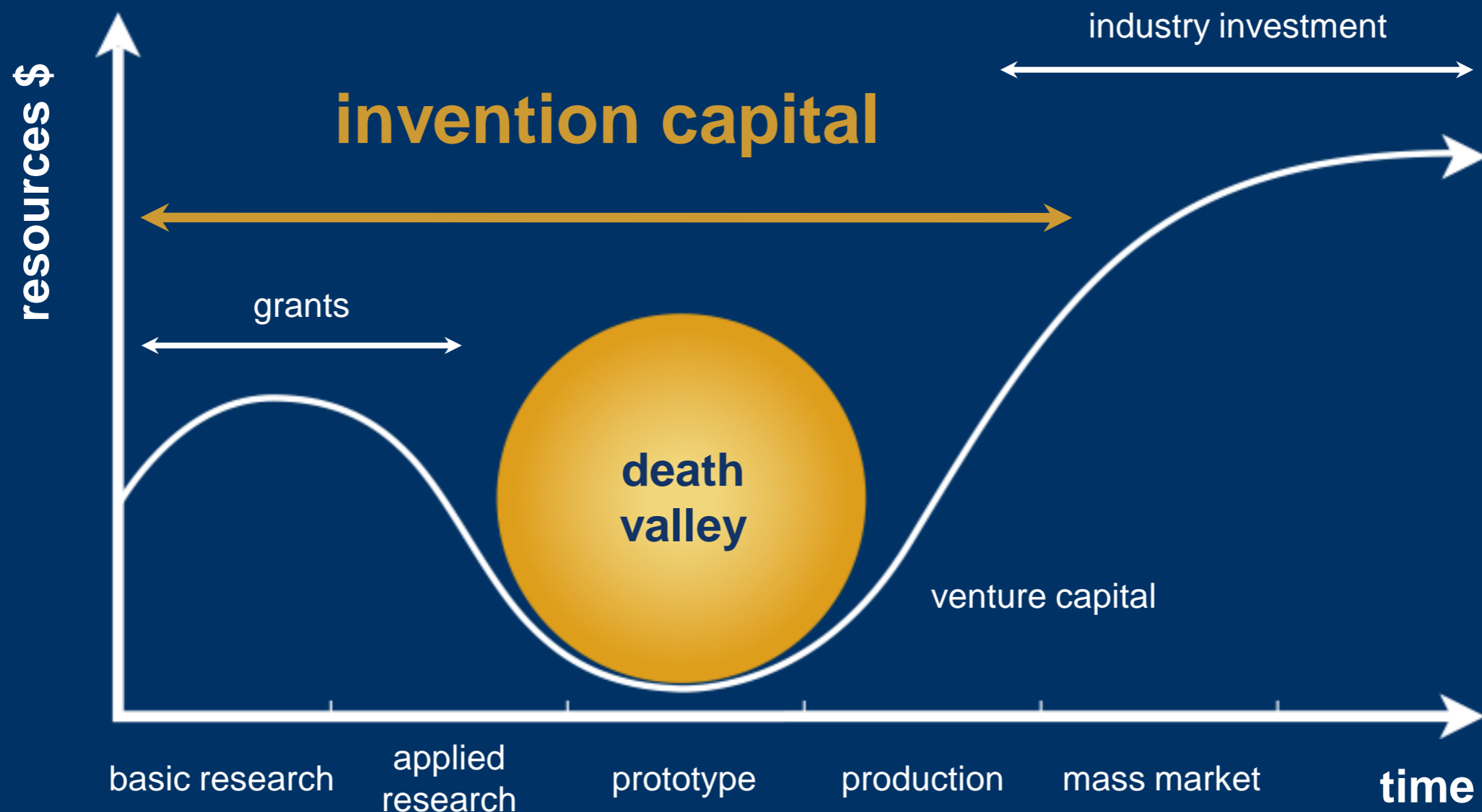
* 2007 data, refers to university licensing revenue

What **innovation**

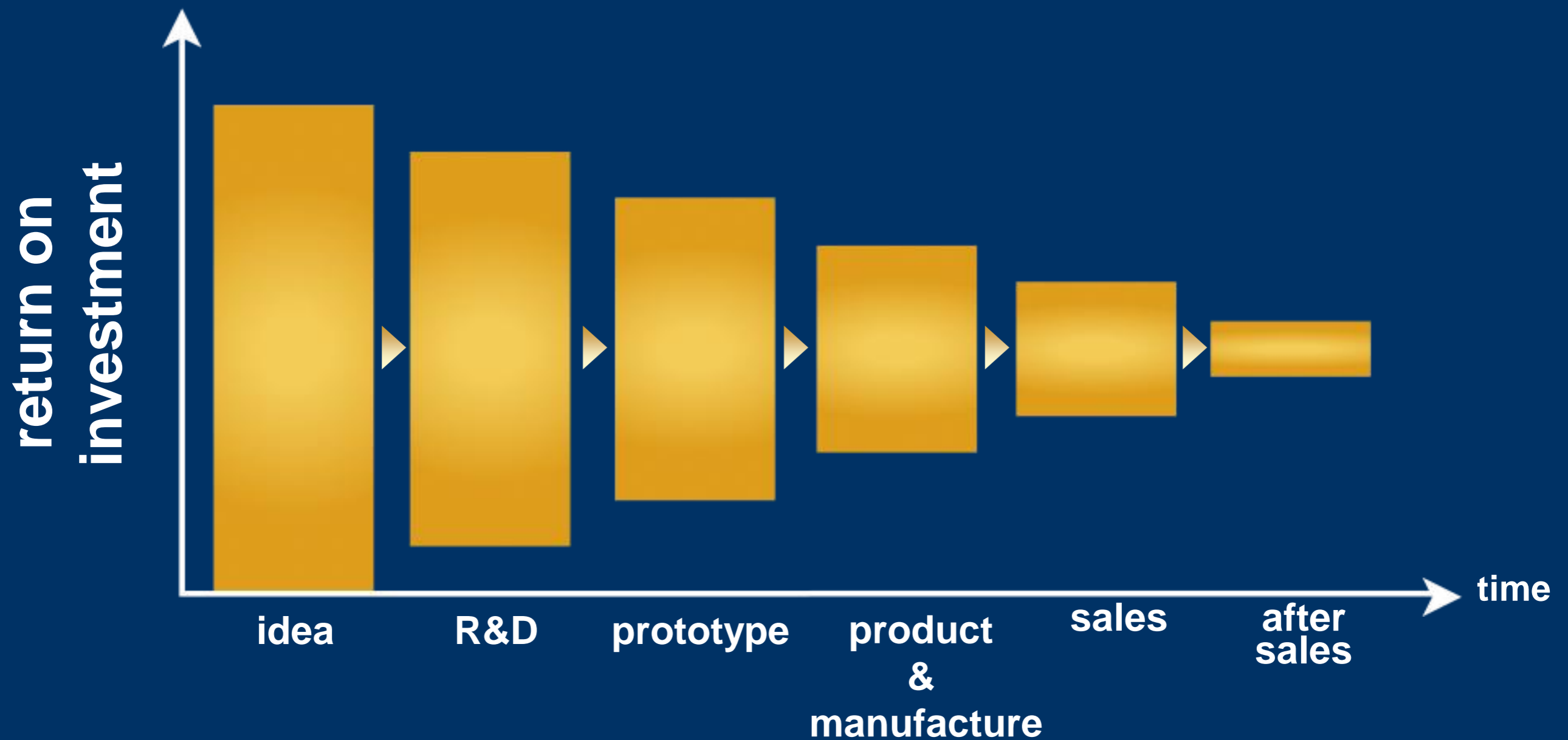
models would work best in
India?

India

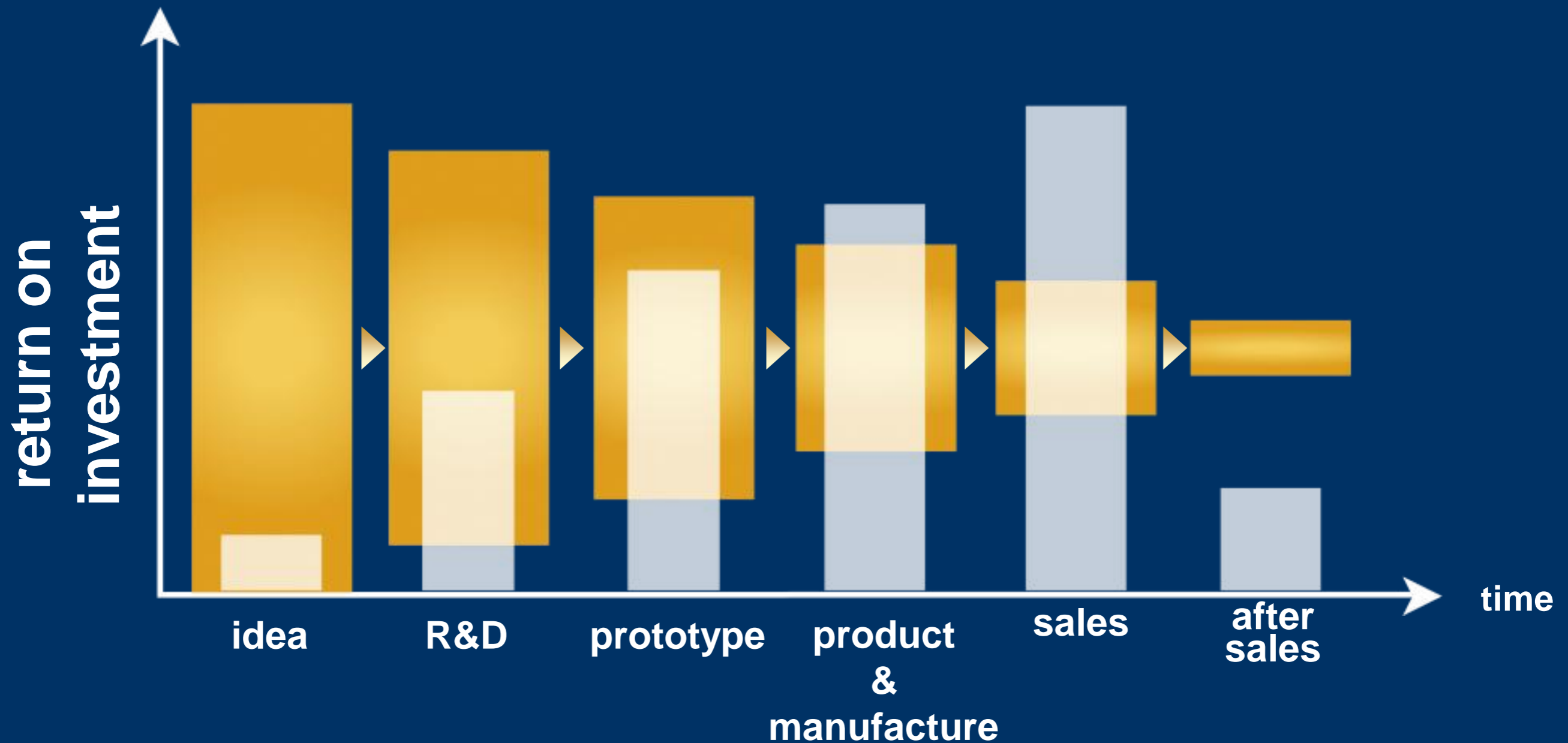
lacks capital, expertise, network



invention is the highest margin activity



but receives the **smallest**
amount of capital



The right model for India
is to focus on **inventors**

and generate
inventions

INTELLECTUAL VENTURES

3 funds: each are

different



IDF

relationship based

131 staff

partners with inventors



solves problems to enable future growth



harvests ideas, refines inventions and makes patent portfolios



ISF

builds ideas

70 staff

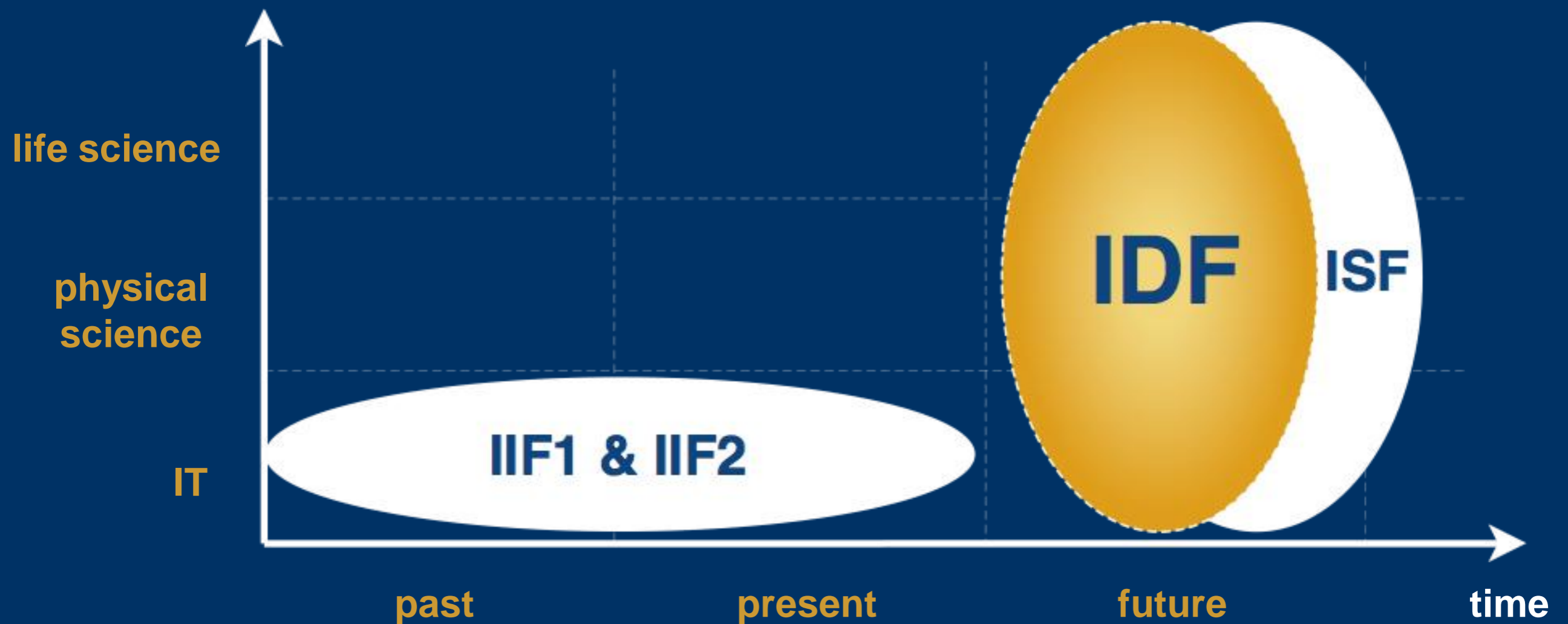


IIF1 & IIF2

transaction based

250 staff

different sectors & time horizons



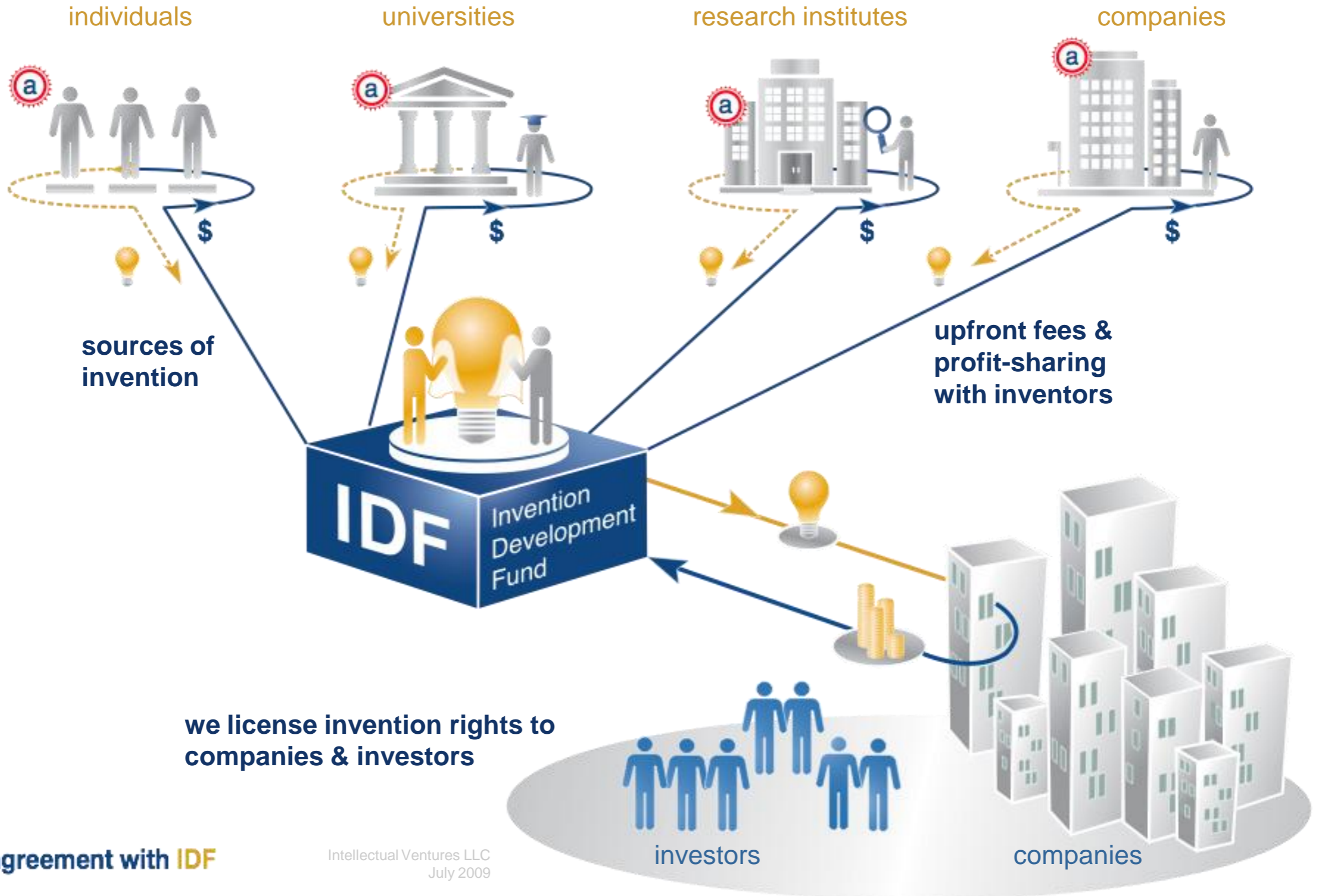
core business model



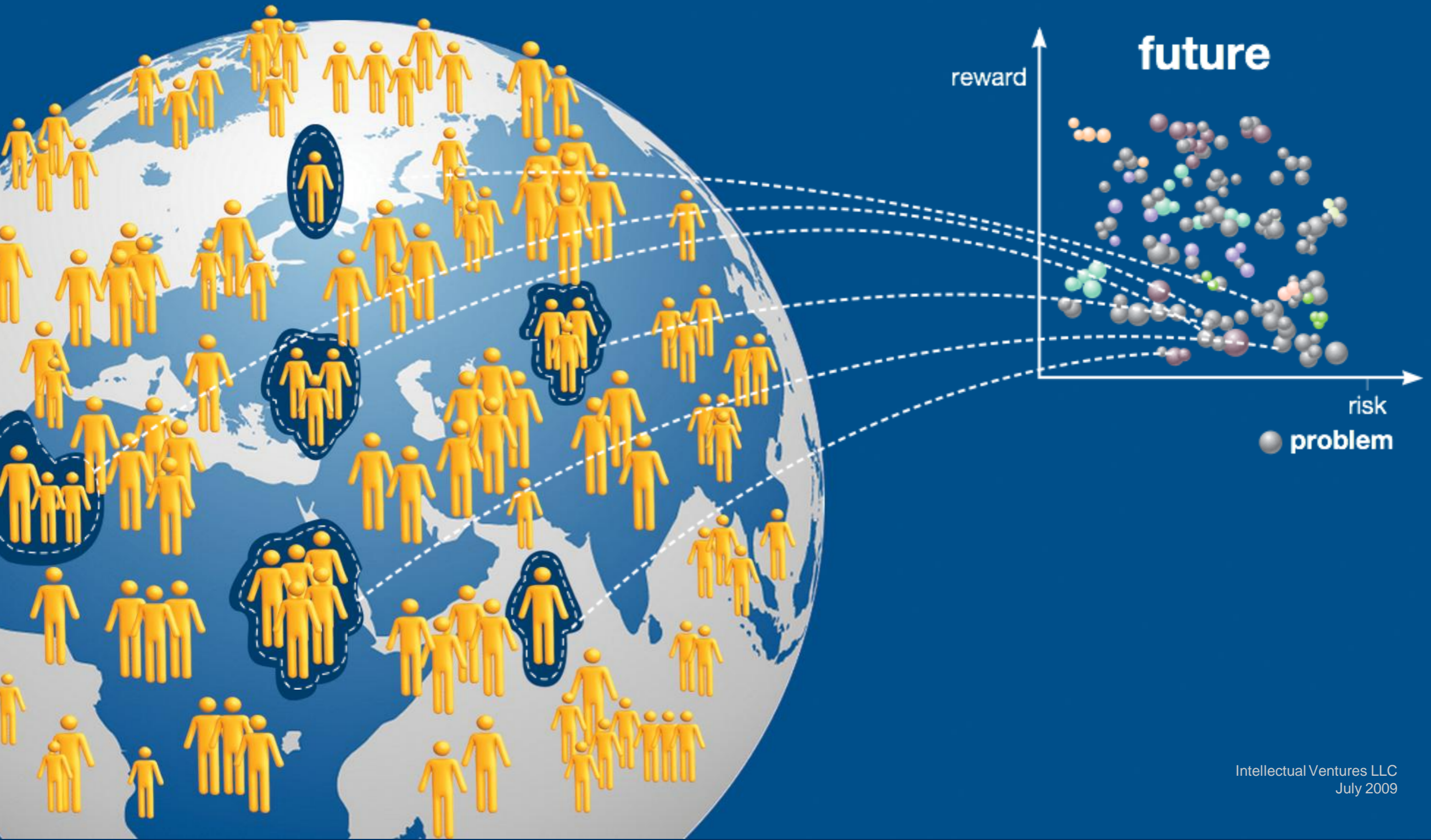
like a manufacturer making products



partnering with inventors



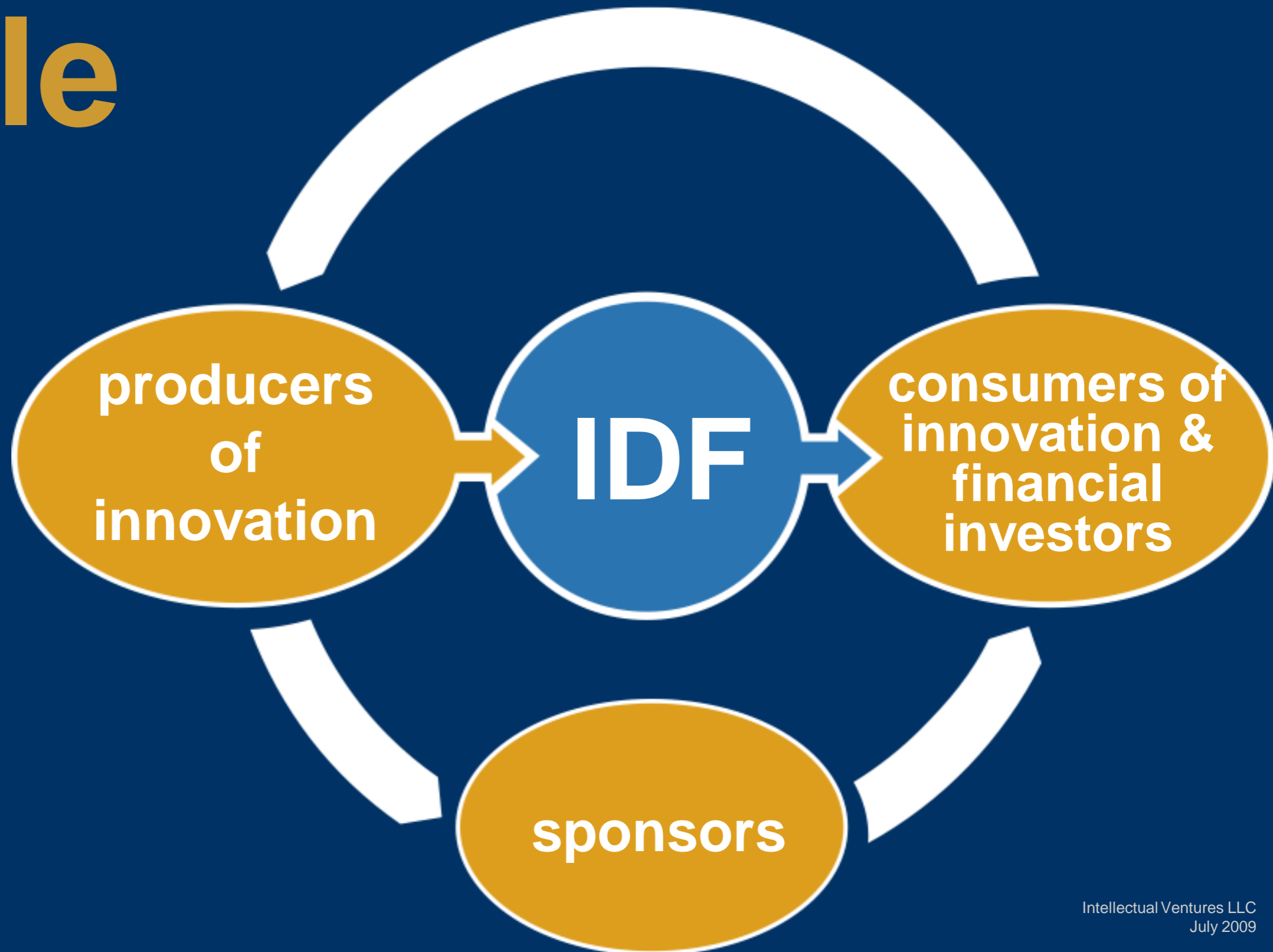
we **identify** problem areas & broadcast them to a **global inventor network**



we are dedicated to
inventors

and focused on
inventions

Manage a **virtuous** **cycle**



distribute ideas as broadly as possible ...

... to enable new companies & products

our **goal**

bring more **revenue** to Indian
inventors

and **reverse** the IP trade deficit

already making a
positive impact
in India

example

payments to Indian universities & research institutes

since April 2008, IV India has paid out

\$0.47 million

unrestricted funds

➔ ~ 30% of Indian university & research
institute licensing revenue

global footprint of IDF



A close-up photograph of a hand with the index finger pointing upwards. A semi-transparent power button icon is overlaid on the tip of the finger. The background is a blurred image of a person's face and shoulder.

ignite

a thousand minds

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