



LOT NETWORK REPORT 2024

Another year of record growth and
added value for our members



Produced in association with



LOT ASSET ACTIVITY

260,000+

Active patent assets have left
LOT Network

4,100+

Patent assets have left LOT Network
and been assigned to NPEs

LOT NOW HAS

4,500+

Total members with over 1,000
new companies added in 2024

4.9M+

Patents and applications owned
by LOT Network members

20%

of all U.S. Patents

SOME OF OUR NEW MEMBERS



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A Message from the CEO



Dear LOT Network Members,

2024 was a record-breaking year for us: over 1,000 new members in one year! We have passed several new milestones in growth and importance to the global innovation ecosystem. We have expanded significantly in critical industries that are becoming more digital, such as medical devices and energy, as well as vital technologies such as semiconductors. We are thrilled to share that we have surpassed 4,500 members and 4.9 million patent assets under the LOT Network

Agreement. This means our members are immunized from 20% of all active US patents, and we are proud to count 51% of the Global S&P 100 and 43% of the Fortune 100 among our members.

As a pre-emptive measure, we took our 10th anniversary as an opportunity to strengthen the protection and tools the LOT Network Agreement provides our members. The [amendment](#) was unanimously approved, and all current and future members of LOT are now operating under these updated terms.

Our growth has earned the attention and respect of other thought leaders in the IP community. For example, Judge Grabinski, President of the Court of Appeal and Chairperson of the Presidium of the Unified Patent Court, spoke at our annual members' meeting (LOT Network BRIDGE) in Chicago this year. We are also excited to announce that Judge Alan Albright will be our keynote speaker at BRIDGE on September 3, 2025.

To meet the needs of our members, we have significantly increased the resources available through our member portal. If you are a paying member, please [register](#) so you can gain access to webinars, the patent purchase platform, and news updates. You can also find information about whether a particular asset was ever owned by a LOT member, and numerous opportunities to interact and network with fellow members on any IP related topic. Your trust and participation are what drives our success.

Best Regards,



Ken Seddon
CEO, LOT Network

Quick Links

 [Patent Marketplace](#)

 [Member Portal](#)



Judge Klaus Grabinski
President of the Court of Appeal
and Chairperson of the Presidium
of the Unified Patent Court



Judge Alan Albright
United States District Judge of the
United States District Court for the
Western District of Texas

What's in LOT Network?

Chart 1 highlights another year of exceptional growth for LOT Network, with a membership increase of over 25% compared to 2023, offering our members the greatest level of protection yet.

LOT had a significant surge in patents this year. As 2024 ends, LOT Network safeguards more than 4.9 million granted patents and applications worldwide, marking 10.3% growth over 2023. This figure excludes expired patents and rejected or abandoned applications.

LOT Network by the Numbers

Per LexisNexis CIPHER Classification, the LOT Network Portfolio grew from 4.3 million granted patents and pending applications in 2023 to over 4.9 million in 2024, with robust growth in the US and Europe. The LOT Network Portfolio also showed significant growth in all technology sectors, particularly in life sciences, semiconductors, and sensors.

Geography

US patents and applications represent the largest share of assets in LOT Network, with just over 29% of active assets. China was a close second at 28%. Europe experienced notable growth, rising from 15.7% to 16%.

Chart 1. LOT Network Membership Over Time

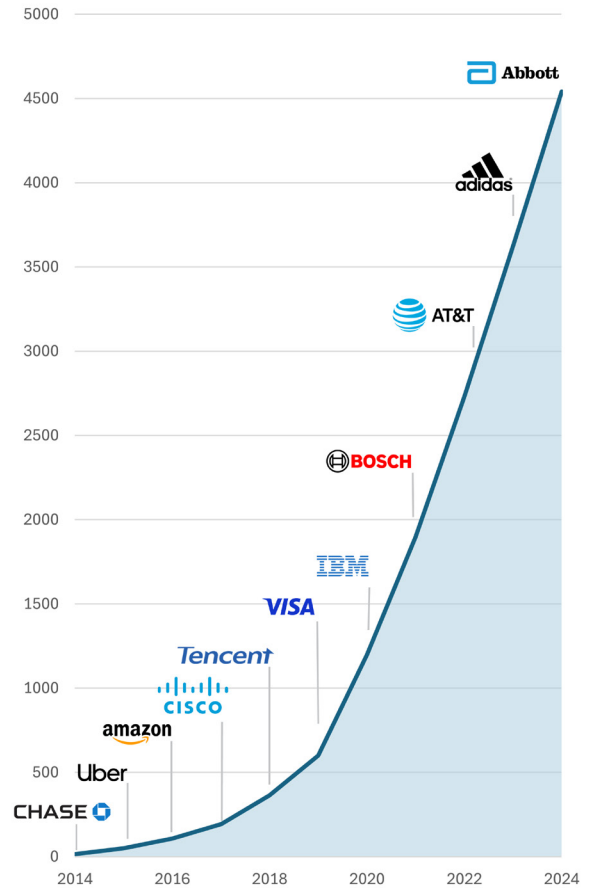


Chart 2. LOT Network mitigates risk from technology convergence

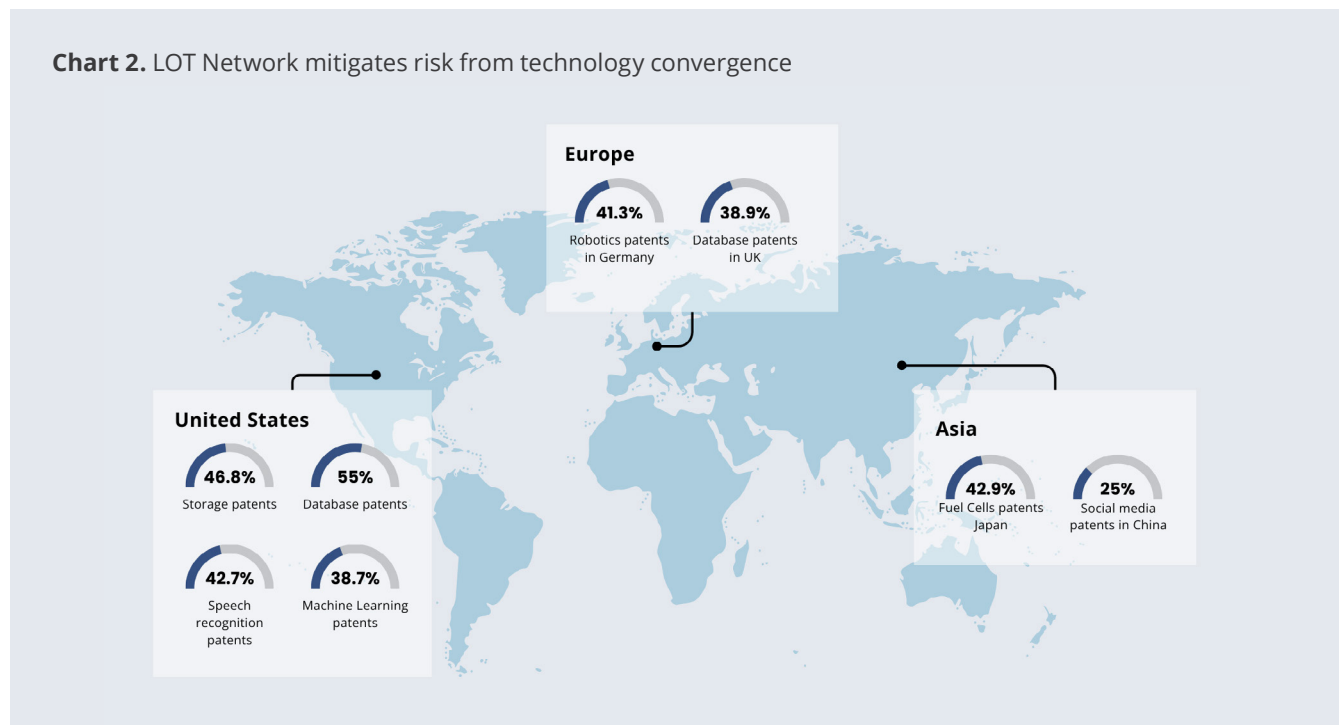
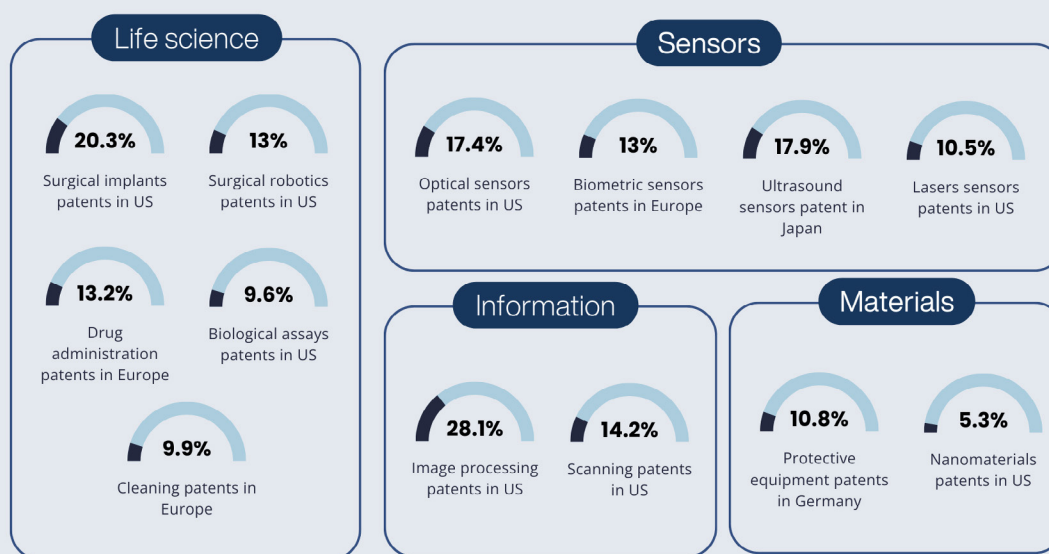


Chart 3. LOT Network offers broad protection for the medical devices industry



LOT Network Growth in Europe

2023 saw the launch of the Unified Patent Court (UPC) in Europe and greater interest by global companies in managing PAE risk in Europe. At least 26 PAE cases were filed in the UPC in its first year (see Chart 5). The LOT Network Portfolio provides robust protection across a wide range of European industries and technologies.

Europe’s fastest-growing sector was life sciences, which grew by 81.3% in 2024. The sensors and energy sectors also saw notable growth of 17.5%. The most significant contributors to LOT Network’s European patent assets in 2024 were Becton Dickinson and Co., Siemens Energy, Boston Scientific Corp., Aptiv, and Abbott Laboratories.

As the Value of LOT Network Membership grows, the price of membership stays the same

LOT Network membership fees remain the same, yet the value of membership has continued to grow dramatically as we add more members. Much of the value of being in LOT Network comes from what we refer to as “LOT Network in Action”—the process by which the LOT Network Agreement protects its members as patent assets leave LOT Network and make their way to non-members and, most importantly, PAEs.

LOT Network in Action

The core value of LOT Network occurs when an asset leaves our community and falls into the hands of an NPE. Patents leave LOT Network for various reasons, some within members’ control and some that are not. These different scenarios are what LOT Network was designed to address when it was created 10 years ago.

Patent Sales and Divestitures

In some cases, LOT Network members choose to divest patents. Some members may sell only to fellow LOT Network members or other operating companies. Others may sell to any buyer with the financial resources to purchase the patents—even NPEs and PAEs. Companies that sell to PAEs sometimes do so under the logic that any company wishing not to be targeted had the opportunity to join LOT Network.

Mergers & Acquisitions

The most common reason assets leave LOT is that a non-member has acquired a LOT member. When the acquiring company has a strategy focused on monetizing patents by selling to PAEs or plans to do so, it may choose to withdraw the member from LOT Network. This is especially likely when a significant overlap exists between the patent portfolios of the acquiring and acquired companies. In such cases, the acquiring company may

prefer to sell off patents rather than pay maintenance fees on duplicative assets.

Bankruptcy

When companies file for bankruptcy, their patent assets can be liquidated to pay off creditors. In these situations, the assets leave LOT Network and are sold to the highest bidder, which can sometimes be a patent assertion entity (PAE).

This process allows the bankruptcy estate to maximize the value of their patents. However, it also increases the risk that these patents will be used in litigation against other companies. LOT Network membership helps

protect against this unpredictable risk by ensuring that members are immunized from any patents that leave the network and are subsequently acquired by PAEs.

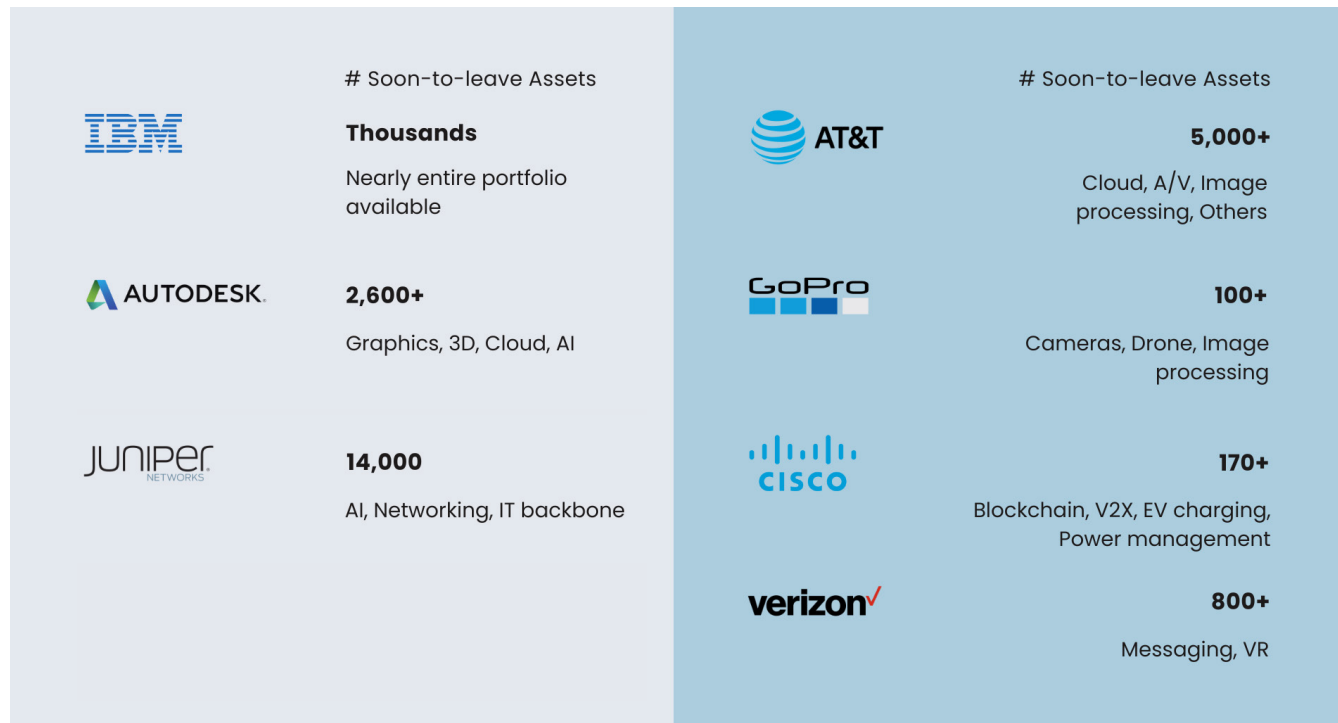
Sanctions

Companies may sometimes withdraw from LOT Network after being sanctioned by national governments. When a company is sanctioned, it may no longer be able to sell products in the market where it is sanctioned, and thus, no longer need any related patents to protect those products. As a result, it often makes more sense for these companies to monetize their patents by selling them to a PAE.

Case Study: Broadcom Acquires VMware

In November 2023, Broadcom acquired VMware, a \$13.4 billion cloud-computing and virtualization company and LOT Network member. Broadcom, not a LOT Network member, withdrew VMware’s 11,000+ patent portfolio, effective May 22, 2024.

Broadcom has a history of monetizing patents through patent assertion entities (PAEs), and the potential sale of VMware's patents could lead to increased patent litigation. VMware's technology is widely embedded across numerous industries, and the withdrawal of these patents from LOT Network exposes non-members to litigation risks. This is a perfect example of LOT Network proving its value to members.



Growth Initiatives

New Industries and Technologies

In 2024, we saw increased participation from companies in rapidly evolving sectors such as artificial intelligence, connected medical devices, and clean energy. Companies such as OpenAI, Midjourney, Stryker, Boston Scientific, Smith & Nephew, Halliburton, and Siemens Energy are members at the cutting edge of their respective industries, all likely to draw the attention of PAEs in the future.

To further “future-proof” LOT Network’s ability to protect its members, LOT Network also works with its members who can leverage venture capital, investment, and technology partnerships to bring in new members in critical technology areas.

To continue growing in new industries and technologies, LOT Network has used targeted outreach with tailored thought leadership, such as a webinar featuring top leaders in the medical device space discussing how and why they joined LOT Network and attending events directed at the Energy and Healthcare industry.

Europe and the Unified Patent Court

Almost 16% of all infringement cases at the UPC were filed by PAEs, representing approximately 26 PAE cases (see Chart 4).

Chart 4. Total Infringement cases in UPC as of September 2024

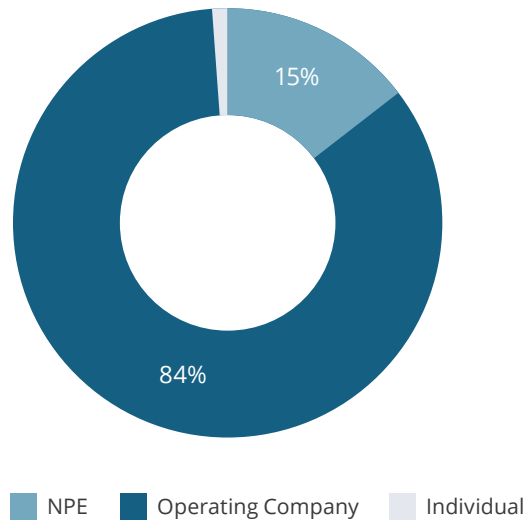
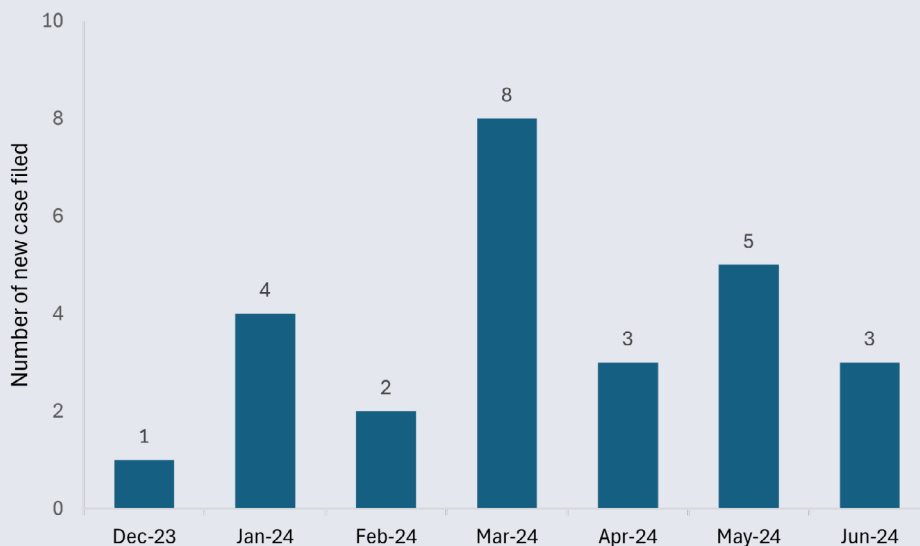


Chart 5. PAE infringement cases filed in UPC as of September 2024



In response, LOT Network has focused time and resources on European growth.

LOT Network hosted two events in the UK focusing on recruiting members in financial services, automotive, and media. LOT Network also hosted an inaugural Oktoberfest event in Munich, bringing together current LOT Network members such as BMW, Deutsche Telekom, and Relx with prospective members.



LOT Network Community and BRIDGE Conference

BRIDGE

The Annual BRIDGE Conference, held in Chicago on September 25th, brought together over 100 participants for a day of knowledge sharing, networking, and collaboration. We welcomed industry leaders from Google, Meta, OpenAI, and Microsoft as speakers, and our member-only sessions facilitated candid discussions on patent dealmaking and the evolving patent litigation landscape. Of particular note, LOT Network was honored to host Judge Klaus Grabinski, President of the Court of Appeal and chairperson of the Presidium of the Unified Patent Court, as the BRIDGE conference's keynote speaker.

Member Collaboration

In addition to in-person conferences, LOT Network has organized online events to foster collaboration and knowledge sharing among its members by specific industries. These virtual gatherings provide a platform for members across industries such as financial services, automotive, and media to connect, discuss challenges, and exchange innovative ideas about IP management. By creating opportunities for open dialogue, LOT Network strengthens its community and ensures that members can learn from one another's experiences, regardless of location.



LOT Resources

How to Pay Your Bill

It is LOT's goal to make the payment process for 2025 membership fees as smooth as possible and to ensure that LOT members are billed appropriately. To help with this, we request the information below from your organization. If there is no change to this information, no response is required.

1. If your company's annual revenue has changed such that it has moved up or down in the tier levels indicated below, you must let us know so we can ensure you are in good standing under the LOT Network Agreement. If the tier level has changed, please send a note to invoices@lotnet.com. You do NOT need to report your revenue to LOT; you only need to report the tier level as indicated below.

LOT User's Annual Revenue	LOT User's Annual Fee
< \$25 million	Free
\$25 million+ to \$50 million	\$5,000
\$50 million+ to \$100 million	\$10,000
\$100 million+ to \$1 billion	\$15,000
> \$1 billion	\$20,000 (capped)

2. Please let us know if you have any changes to your points of contact for billing purposes.
3. Please contact LOT's invoicing team (invoices@lotnet.com) with any updated tier or contact information, if you would like your 2025 invoice early, if you have not yet seen it, or if you have any questions.



Ed Meintzer



Jessica Moulder

Contact Ed and Jessica at invoices@lotnet.com.

Invite Your Ecosystem to Join

Many of our members, including their corporate venture groups, innovation teams, and key vendors, have effectively safeguarded their ecosystems by introducing LOT Network to the startups and suppliers in their network. If you would like to invite the startups that you work with to join, please don't hesitate to contact Tyler Aroner for more information, or share [this link](#) with them.

For companies with institutional investors, consider introducing them to LOT Network to explore how we collaborate with other investors to protect their broader portfolios from patent risk.



Tyler Aroner
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On to 2025

Thank you for being a part of our community this year. Our team is looking forward to serving you and building even more value in 2025.

