



LOT NETWORK REPORT 2025

LOT NETWORK STATS 2025

#1

World's largest patent holder, Samsung, has joined LOT Network

3

All three of the world's largest phone makers are in LOT Network

6

Non-members sued by PAEs using former LOT assets

24%

of all active US patents are under the LOT license

75

LOT Network has members from 75 different countries

~6 million

Active assets in LOT from our 5,700+ members

SOME OF OUR NEW MEMBERS:

SAMSUNG

UMC

HPE



**DAIMLER
TRUCK**

SCHAEFFLER



CINEMARK™



FOXCONN

ConocoPhillips



quantexa



moog®

Dräger

Nikon®

globalpayments

**FORTUNE
BRANDS**



Vestas®

VOLVO
Volvo Group



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A Message from the CEO



Dear LOT Network Members,

The Times They Are A-Changin' - Bob Dylan was spot on. Changes brought about by policy shifts from the new administration in the US, as well as in the UPC in Europe, have dramatically increased the risk of patent assertion entity (PAE) suits in just a matter of months. For example, the primary defense companies have relied on for more than a decade, the Inter Partes Review (IPR), has been effectively taken away.

At IP Dealmakers this month (November 2025), several of the largest PAEs enthusiastically declared on stage, "we have entered a Golden Age for patent assertions." They see a 24–36 month window to file as many cases as possible before conditions could change again. The data confirms it: in 2025, PAEs will be responsible for 91% of all patent suits filed against high-tech companies in the United States.*

Corporations are focused on how to secure rights to as many patents as quickly and cost-efficiently as possible. That urgency is reflected in LOT Network's continued momentum. 1,086 companies joined LOT in 2024, and we are on track to exceed 1,200 in 2025 - more than three new members every day.

I want to thank our members who voted to allow Samsung Electronics to join this year: LOT now has all three of the world's largest phone makers in our community of over 5,700 companies. With the addition of other significant IP powerhouses this year like Hon Hai, GlobalFoundries, UMC, ABB, and Schaeffler, LOT Members are now immunized to nearly 6 million patent assets, which includes over 24% of all US patents - the world's largest patent community by any measure. Sadly, we also broke another record in 2025: six companies outside of LOT were sued by PAEs using former LOT assets - litigation that would not have occurred had they been part of our community during that time. This emphasizes the need to join as early as possible before these threats materialize into action.

Best Regards,

Ken Seddon

Ken Seddon
CEO, LOT Network

*Source: Unified Patent Disputes Report 2025

Message from the SVP Global Business Development - Steve McDevitt

As I look back on what we believe to be the most successful year in the history of LOT Network, what I am perhaps most proud of is the teams and capabilities we have built to serve our members, prospects, and the IP community as a whole.

Whether we are acting in a thought leadership capacity as a keynote speaker, diving deep into questions with a company that is considering joining LOT, or helping our existing members highlight the value they are getting from LOT, we are now able to deliver insights and data quickly and accurately to help articulate the LOT value proposition. Nearly every discussion we have now is underpinned by high-quality data analysis. Our community team can respond to and proactively address our members' needs in a timely, creative way. We have team members helping companies in China, India, Japan, the UK, the EU, and, of course, North America. We have a dedicated outreach program for leading investors that has brought some of the fastest-growing and most interesting startups in the world into LOT.

None of this would be possible without the support of our members. As we continue to grow, we will invest in capabilities to fuel future expansion and make our members' jobs easier. We take that mission very seriously and look forward to hearing from you all about ways we, as a community, can continue to innovate heading into 2026.



Steve McDevitt

Steve McDevitt

SVP Global Business Development, LOT Network



What's in LOT – Membership & Technology Highlights

LOT Network maintained its momentum in 2025, reporting another year of robust growth. **Membership increased by 20% from December 2024** to more than 5,700 members. LOT experienced a significant surge in patents this year, now safeguarding nearly 6 million active granted patents and applications worldwide, representing a **30% growth over 2024**.

Per LexisNexis CIPHER Classification, so far in 2025, all major technology sectors classified by the Universal Technology Taxonomy (UTT) in the LOT portfolio have experienced remarkable growth. Specifically, active **semiconductor assets nearly doubled from over 147,000 last year to over 280,000 this year**. Telecommunications and Electrical followed a similar trend, with growth rates near 50% compared to the previous year.

Chart 1. LOT Network Membership Over Time

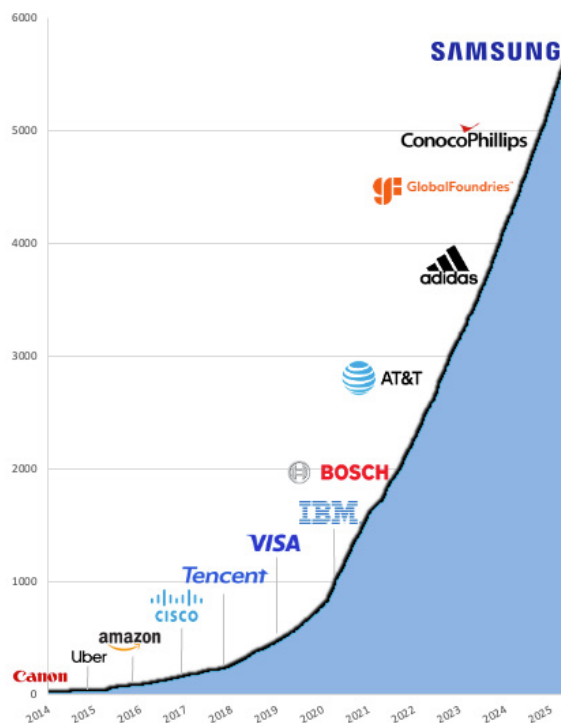
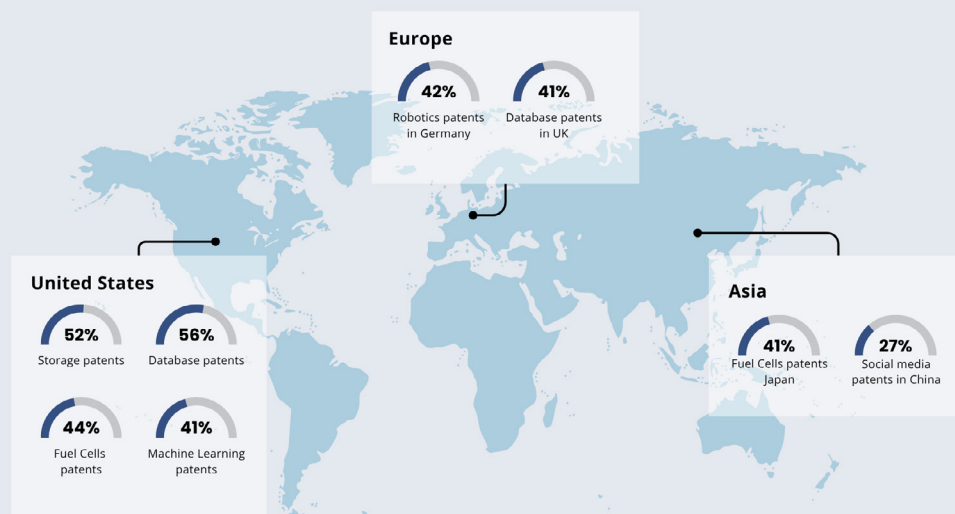


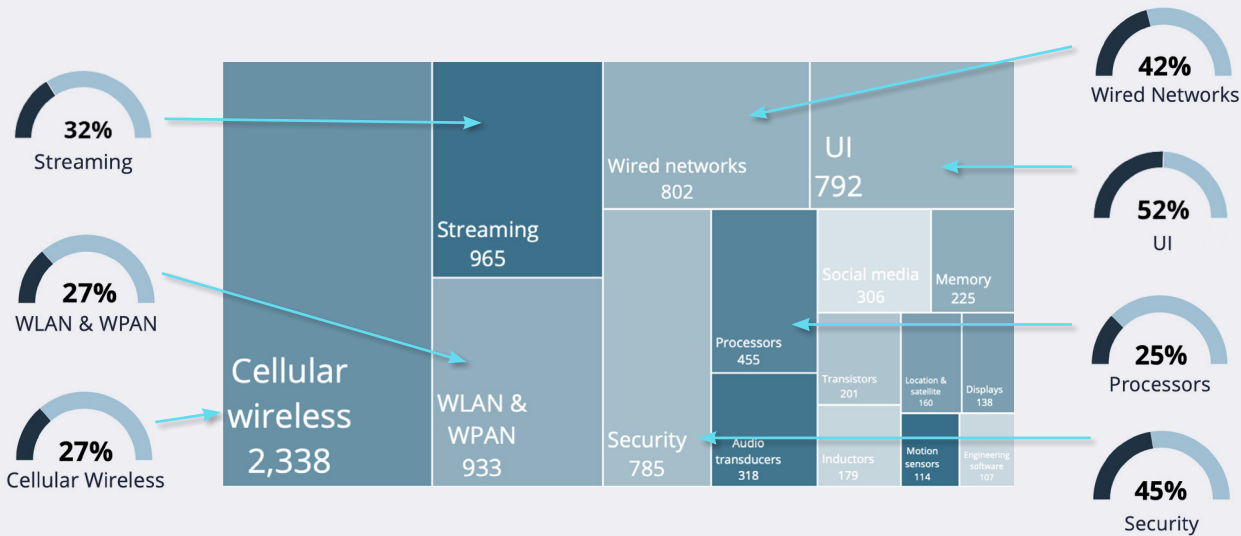
Chart 2. LOT Network Mitigates Risk from Technology Convergence



More important to consider is the protection that LOT Network provides in areas where PAEs are particularly litigious. It is well known that **PAEs tend to target technologies with broad applicability across multiple industries, even when the companies themselves do not operate directly within those fields**. Numerous examples illustrate this convergence of technologies — for instance, QR code patents have been enforced indiscriminately against companies from a wide range of sectors.

Among the top five technology areas where PAEs most frequently litigate in the United States, LOT Network offers protection that exceeds the overall 24% coverage of all active patents. Specifically, LOT Network's coverage extends to **27% of patents in cellular wireless and WLAN/WPAN technologies, 32% in streaming technologies, 42% in wired networks, and as much as 52% in user interface (UI) technologies.**

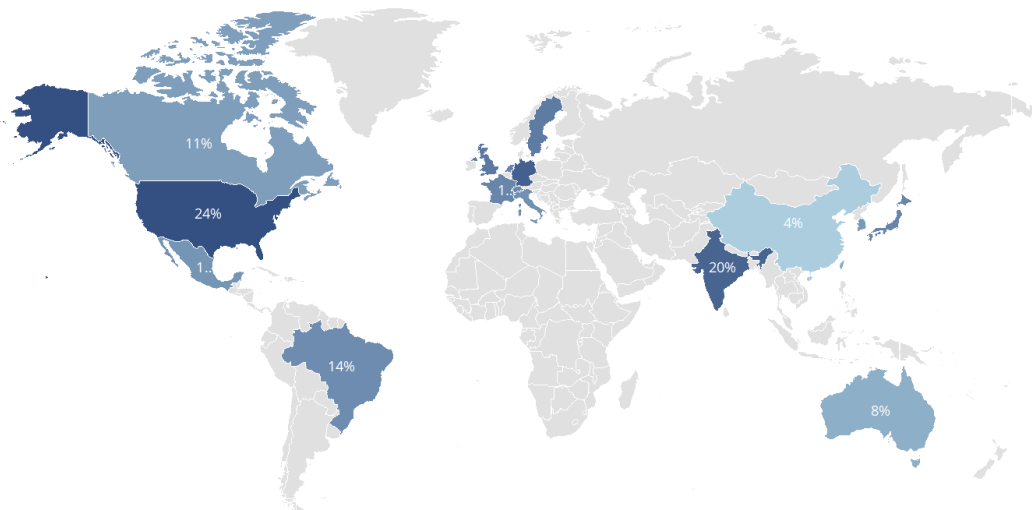
Chart 3. Number of Litigated Patents by PAEs in the Last Three Years by Top Technologies Compared to the % of Patents LOT has in the US



Source: Number of litigated patents by PAEs attributed to RPX Empower, Technology classifications attributed to LexisNexis Cipher

LOT Stats World Coverage

LOT Network continues to broaden its global footprint, delivering protection in the jurisdictions that see the most patent litigation and hold the greatest strategic importance.



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% Active Apps & Grants in LOT
4% 24%

United States

The US remains the most critical jurisdiction for patent risk mitigation, given its reputation as the world's most litigious patent market. LOT's coverage here is substantial, with over **1 million active assets** (applications + grants) under license, representing more than **24%** of all active US Patents, showing LOT's ability to protect innovation when patent assets are transferred to PAEs.



Contact John Brosnan

SVP Licensing



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Europe

With the advent of the **Unified Patent Court (UPC)**, Europe has become a focal point for global patent strategy. LOT members benefit from wide coverage across both the **European Patent Office (EPO)** and key national jurisdictions. Germany, the UK, and France, longstanding leaders in European litigation, are particularly well represented, each with hundreds of thousands of LOT-protected assets. Coverage also extends broadly across **Italy, Ireland, the Netherlands, Switzerland, Spain, Austria, Denmark, Sweden, Belgium, Portugal, and Finland**, ensuring comprehensive mitigation even as litigation risks evolve under the UPC framework.



Contact Anthony Gaffney

VP for EMEA & UK



LOTNETWORK

Asia

Asia is a major driver of global patent activity, and LOT has built a strong presence here.

- **China** stands out with over **800,000** patents and applications under license, reflecting the country's central role in global innovation.
- **Japan** and **Korea** both show robust coverage, with hundreds of thousands of granted patents and families represented. These markets are vital not only for their domestic importance but also for their influence on global technology supply chains.
- **Taiwan** is specifically relevant for its dominance in the semiconductor industry. Notably, United Microelectronics Corporation (UMC) and Wistron Corporation joined in 2025, with more expected soon.
- **India** and **Singapore** are emerging as increasingly important innovation hubs, both of which now have solid LOT coverage.



Contact Gaby Khouri

VP Business Development



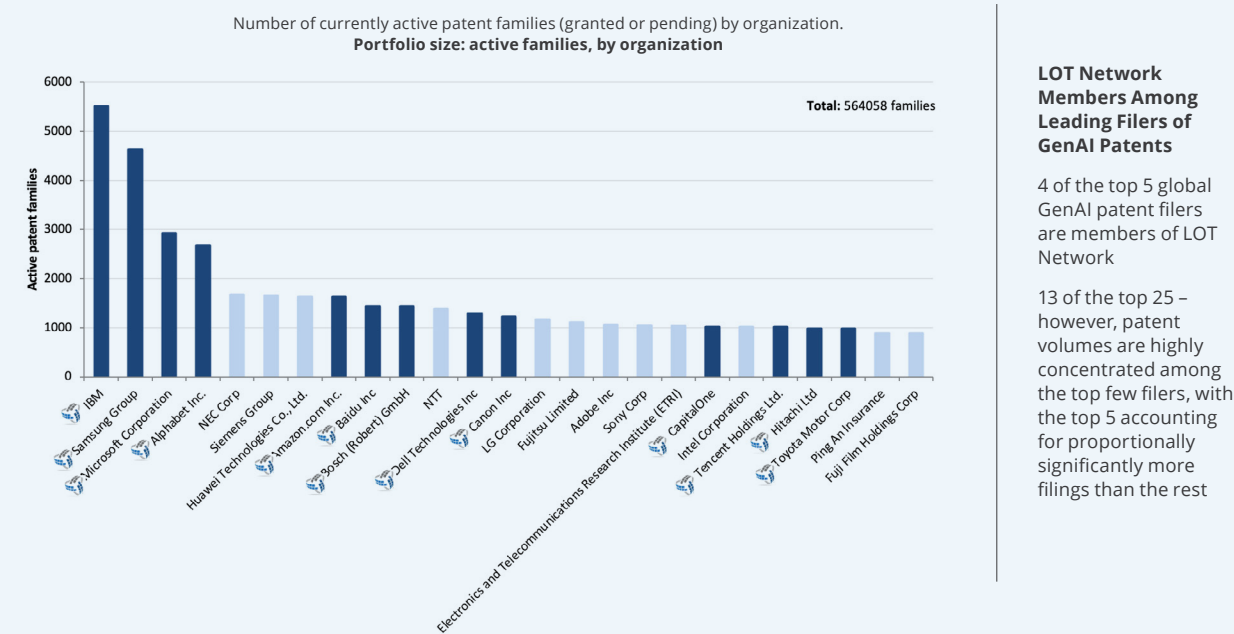
LOTNETWORK

Overall

LOT now covers nearly 6 million patent assets worldwide, ensuring that members are protected across all major and emerging jurisdictions. With strong representation in the US, extensive reach across Europe, including the UPC, and deep coverage in Asia and key emerging markets, LOT continues to deliver on its mission: **mitigating patent assertion risk globally and at scale.**

Gen AI Updated

Chart 4. Generative Artificial Intelligence Leaders in LOT Network Q4-2025



Source: LexisNexis Cipher - patent search strategies developed based on WIPO - Patent Landscape Report - Generative Artificial Intelligence (GenAI) Note: China-only filings have been excluded from this analysis



Generative AI (GenAI) has rapidly become one of the most transformative and widely adopted technologies of the past year, with applications spanning nearly every industry. As companies invest heavily in innovation, GenAI patents are being filed at an accelerating pace and history suggests that this will inevitably attract the attention of PAEs. LOT Network members are already at the forefront of this trend: **4 of the top 5 global GenAI patent filers, and 13 of the top 25, are LOT members.** Notably, patent activity in this space is highly concentrated, with the top 5 filers accounting for a disproportionately large share of filings. By joining LOT Network, innovators working in GenAI and related technologies gain critical protection against future PAE litigation risk as this technology becomes ubiquitous.

TCL and Departures – Why Speed Matters When Joining LOT Network

LOT Network is widely recognized as a cornerstone of intellectual property (IP) strategy, designed to protect innovators from PAEs, sometimes referred to by others as “patent trolls”. With over 5,700 members globally, including some of the world’s largest patent holders like Samsung, Canon, Google, IBM, and Microsoft, members benefit from a collective safeguard against the misuse of patents. However, what many in the industry often overlook is a crucial dynamic that amplifies the value of membership: the **Network Effect**, and more specifically, the **timing** of when companies join LOT Network.

Understanding the Network Effect

The core value proposition of LOT Network is its proactive mechanism. When a member sells or transfers patents to a PAE, those patents automatically become non-assertable against all other members. This means that the more members the network has and the more patents they hold, the greater the protective coverage for each member.

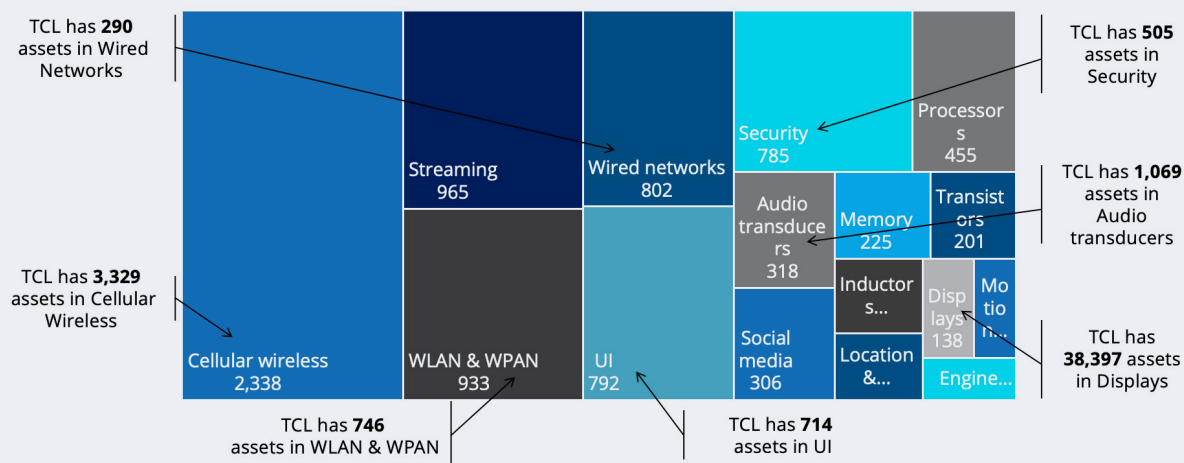
The **Network Effect** functions similarly to the concept of herd immunity: as more participants join, the entire group becomes stronger and more resilient. But this protection is prospective, not retroactive. Members are shielded from patent assertion if they are part of the network **before** a sale of a patent to a PAE takes place.

This is where the **speed of joining** becomes not just a matter of convenience, but a strategic imperative.

The TCL and potential Juniper Departure: A Time-Sensitive Risk

A timely example underscoring the urgency of early LOT Network enrollment was **TCL** leaving the community. A LOT member since 2020 and a global electronics manufacturer, it left the Network in **October 2025**. TCL currently owns over **70,000 patent assets**, many of which could become highly attractive targets for PAEs.

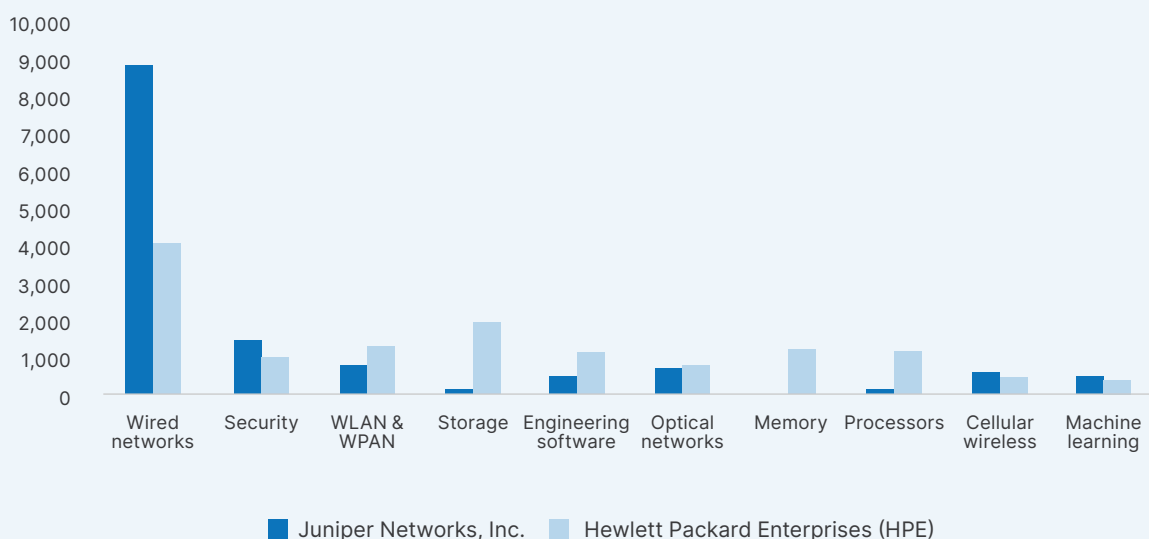
Chart 5. Number of Litigated Patents by PAEs in the Last Three Years by Top Technologies



Source: Number of PAE litigations attributed to RPX Empower, Technology classification & TCL assets attributed to LexisNexis Cipher

Another potential emerging risk is **Juniper Networks**, a LOT member, which has now been **officially acquired by HPE**. HPE joined LOT Network on November 19th. This development is especially noteworthy given the **technology classification overlap**. The largest Cooperative Patent Classification (CPC) code for both HPE and Juniper is H04L: “Transmission of digital information.” HPE currently owns **5,000 patents** in this category, while Juniper adds over **12,000 more**, meaning HPE has more than **tripled its holdings** in its primary area of patent activity.

Chart 6. HPE & Juniper - Overlap Between the Two Portfolios



TCL and Juniper are recent examples of this broader departure risk. If a company leaves LOT in the future, its patents could be sold, transferred, or exclusively licensed to PAEs, opening the door for assertion against companies that were not members before their departure.

Continuous Asset Flow

It is also important to address a common misconception: some may assume that the risk of exposure comes only from members who publicly announce their departures or asset divestitures. In reality, **members are not obligated to disclose when they sell assets**, nor are they required to transfer those assets en masse.

Consider current LOT Network members such as **IBM**, a respected technology firm and active participant in the secondary patent market. These companies routinely sell patents to third parties, including PAEs. Crucially, LOT does not prevent members from selling assets to PAEs; in fact, it underscores the value of the Network. Because any such transactions automatically result in protections for fellow members, selling assets to PAEs does not introduce risk **if** you are already part of the Network.

This dynamic illustrates a key point: **LOT Network does not affect the traditional uses of patents; it immunizes members when they are transferred to a PAE**. The continual circulation of patents across the industry is inevitable. The only way to manage the risk is to be inside the Network before those transfers occur.

The Strategic Case for Joining Now

Joining LOT Network is free for companies with revenues under \$25 million and scales modestly with company size, making it one of the most cost-effective tools available for IP risk mitigation. The agreement is straightforward, non-intrusive, and does not restrict a company's ability to enforce or monetize its patents.

In a patent ecosystem where the average cost of defending a PAE-initiated lawsuit can exceed **\$4 million**, the ROI of LOT membership is self-evident.

But beyond the economics, LOT Network offers something rarer: **strategic certainty** in an unpredictable patent landscape. It allows members to focus on innovation and business growth rather than constant litigation defense.

Act Now

The member exits offer a rare and urgent moment of clarity in the often opaque world of patent risk. It's a vivid reminder that the patent ecosystem is always in motion and that LOT Network's protections hinge entirely on timing.

If your company is not yet a member, now is the time to act. The assets that could threaten your business tomorrow are already in circulation today. In a world where the cost of delay can be measured in millions, **proactive protection is not optional – it is essential.**

State of PAE Activity

We are entering a **new era of heightened patent-assertion risk and growing strength of PAEs** driven by several converging forces. **Shifts in the legal and regulatory landscape**, particularly at the USPTO and PTAB, are reshaping the balance between operating companies and assertion entities. Recent changes in Director review, fluctuating institution rates, and evolving post-grant practices have introduced greater uncertainty into US validity proceedings, encouraging some actors to test alternative enforcement routes and more aggressive settlement strategies.

Unprecedented levels of institutional capital are flowing into the patent-assertion ecosystem. Litigation-finance firms, private-equity investors, and specialty funds now view patent enforcement as an investable asset class, enabling PAEs to sustain longer, better-resourced campaigns across multiple jurisdictions.

The expanding influence of **the Unified Patent Court (UPC) has added a powerful new vector of exposure in Europe.** The UPC's willingness to issue rapid, cross-border provisional measures increases the leverage of rights holders and further internationalizes enforcement risk.

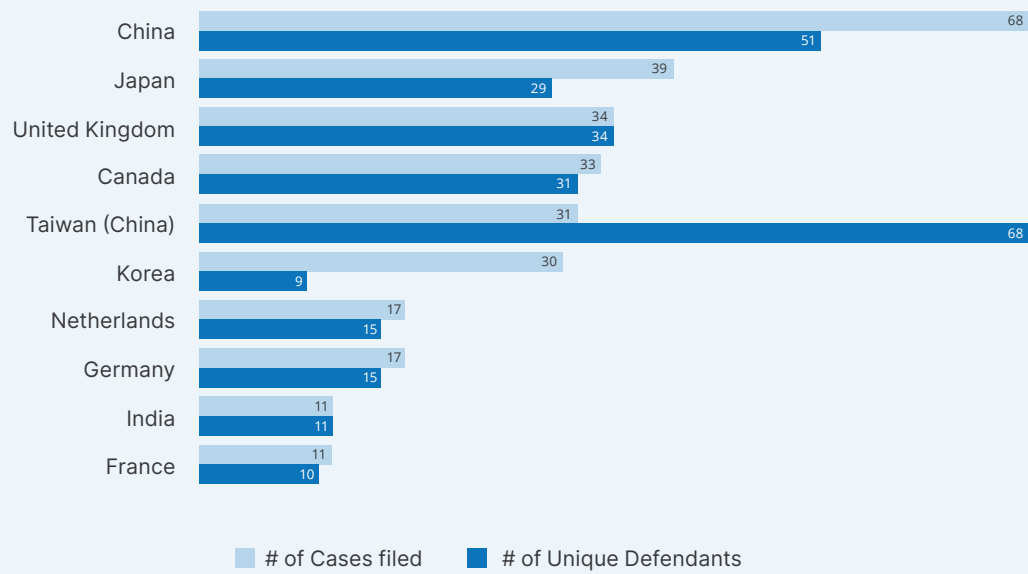
Together, these developments point to a more complex, capital-intensive, and globally interconnected assertion environment.

United States - District Court

So far in 2025, **more than 1,700 cases have been filed by PAEs against operating companies in the District Court in the US**, increasing by 32% compared to the same reported period last year. Intriguingly, companies based outside the United States, particularly those in Asia and Europe, have become top targets for PAEs. This indicates that PAEs are no longer solely a prevalent US problem but has evolved into a significant cross-border challenge.**

**Source: RPX Empower

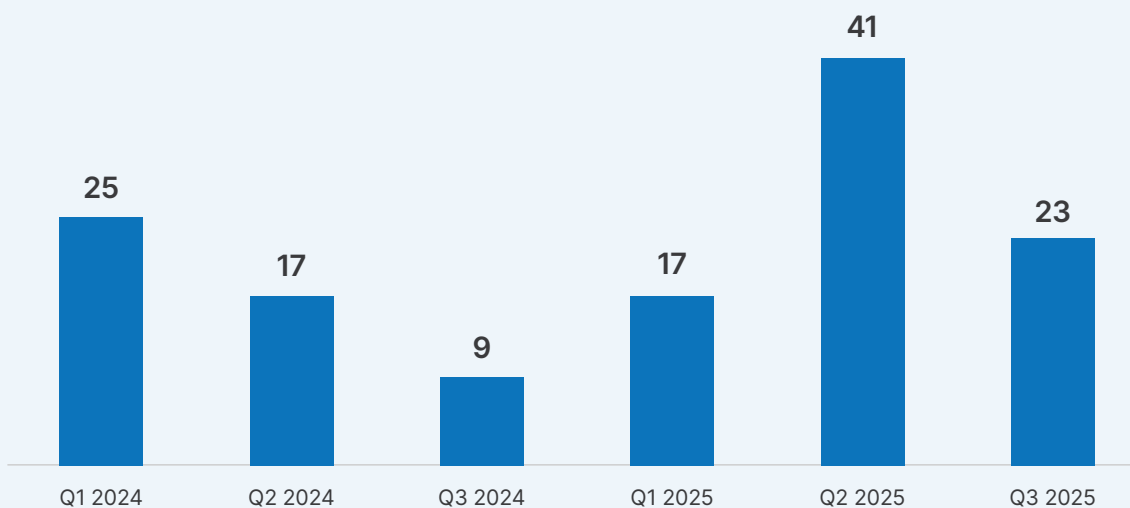
Chart 7. Top HQ Countries of Defendants Sued by PAEs in District Court



Europe & Unified Patent Court (UPC)

PAEs initiated 23 infringement actions in the UPC, targeting 80 distinct defendants, a **59% increase from the same period of 2024**, despite consistent case numbers. Non-European companies remain the primary targets, mirroring PAE trends observed in US District Courts.

Chart 8. Number of Defendants Sued by PAEs in Unified Patent Court



LOT Network Community



Community Spotlight

This year, our community has continued to shine as LOT members came together in meaningful ways.

Collaboration

We connected dozens of members facing similar PAE threats, helping them share strategies and collaborate on solutions. These connections have even helped us gain new members, as they have heard that LOT can help them be part of these conversations.

We were able, during the course of the year, to help members identify companies within the network that align with their patent sales or acquisition goals.

Industry Calls & Networking

Our industry-focused calls brought together members from across sectors, creating spaces for open dialogue on emerging risks and opportunities. These calls continue to be a valuable way for members to exchange knowledge, build stronger relationships, and learn from one another.

Community Portal

A new membership survey is available on the Portal. We're exploring new ways to enhance LOT Network membership. While protecting your company from

nearly 6 million patents is extraordinary, we have a tremendous opportunity to serve our community and help you leverage its benefits.

If you haven't already joined the Community Portal, [Join NOW](#).



Contact Melissa Schneider
VP Community Development

Events Round-Up

Annual BRIDGE Conference & Oktoberfest Event

The Annual BRIDGE Conference returned to the Bay Area on September 3rd, bringing together over 100 participants for a day of knowledge sharing, networking, and collaboration. We welcomed industry leaders from Google, Meta, Huawei, Lyft, and Okta 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 Alan Albright, US District Judge of the US District Court for the Western District of Texas, as the keynote speaker.

The 2nd Annual LOT Network Oktoberfest IP & Legal Networking Conference took place in Munich at BMW Welt on September 28, bringing together IP and legal professionals for a day of knowledge sharing, networking, and Bavarian tradition. Members gathered for candid discussions on “UPC & PAE Risk Mitigation in Europe,” followed by an authentic Oktoberfest lunch at the Hofbräu-Festzelt Big Tent. We welcomed Tobias Wuttke, Partner at Bardehle Pagenberg and one of the leading experts in UPC litigation, as the keynote speaker, who shared timely insights on PAE activity and UPC developments.



WHERE YOU’LL MEET US NEXT YEAR

LOT NETWORK® BRIDGE

KEYNOTE PRESENTATION: A DIRECTOR’S FIRESIDE CHAT
A conversation between current and past Directors of the USPTO



John Squires
Under Secretary of Commerce
for Intellectual Property and
Director of the USPTO



David Kappos
Partner, Cravath, Swaine
& Moore LLP and Former
Director of the USPTO



01 OCT 2026
ROSEWOOD SAND HILL

LOT Resources

How to Pay Your Bill

It is LOT's goal to make the payment process for 2026 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, moving up or down through 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 Member's Annual Revenue	Annual Membership Fee
< \$5 million	Free
\$5 million to \$10 million	Free
\$10 million to \$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 (cap)

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 2026 invoice early, if you have not yet seen it, or if you have any questions.

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.



Contact Tyler Aroner
VP Licensing

