

EXHIBIT 15

Star man



John Veschi expected to create a world-class licensing programme at Nortel when he joined the company in 2008. Five years later, he is the CEO of Rockstar, a unique NPE that is in the early stages of monetising what is probably the most famous patent portfolio in the world

By Joff Wild

When John Veschi was first approached by Nortel to head up its IP function and build a world-class licensing business at the company, he was not exactly enthusiastic; far from it, in fact. “My initial reaction was, ‘Why would I want to go to Canada? It’s cold and there are no golf courses!’” he recalls. But when he began looking more closely at what he would be taking charge of, the former chief IP officer (CIPO) of LSI and Agere very quickly began to change his mind.

“There were Bell Labs-quality patents and they were largely unencumbered,” Veschi says. For someone used to investing considerable time and effort in the complicated process of dealing with encumbrances – something which he likens to “playing three-level chess” – this was a tantalising prospect. “The idea of having what was essentially a green field in order to build a licensing programme that would not only be successful and enriching, but also be critical to the company was immensely appealing,” he explains. It would, he believed, be a chance to create a legacy: “I saw Nortel as another Texas Instruments or Qualcomm. I was thinking that in the future, people would be writing stories about how important licensing was to turning the company around – I really

thought that would happen.”

So in 2008 Veschi took the job and became Nortel’s chief IP officer (CIPO), initially reporting to the company’s general counsel and chief technology officer (CTO), but with a view to moving to become a direct report to the CEO (see box). Five weeks later, the credit crisis hit and in early 2009 Nortel filed for bankruptcy. Veschi was about to make his mark – but not in the way he had originally anticipated.

A man with a plan

Today, John Veschi is CEO of Rockstar, the non-practising entity (NPE) established by five of the six companies that ended up submitting the winning US\$4.5 billion bid for the Nortel patents which went under the hammer at a week-long auction held in New York in June 2011. The five – Apple, BlackBerry (Research In Motion as was), Ericsson, Microsoft and Sony – are currently the only shareholders in Rockstar; each has a minority stake (the sixth member of the bidding consortium, EMC, is not involved).

Veschi and the Nortel IP team played a key role in the events leading up to the auction, including helping to alert those overseeing the bankruptcy to the portfolio’s potential; identifying the technologies; drawing up detailed claims charts; participating in road shows and meetings with potential buyers; and deciding how to offer the patents, even to the extent of evaluating whether the best option would be to spin out a licensing business from Nortel. These are all stories that have been told before. What has been less chronicled – at least from an accuracy perspective – is what has happened since that pivotal week two years ago and the outlook for Rockstar the business.

Principally based in Ottawa, just a few miles from the former centre of Nortel’s

R&D operations, and with a smaller office in Plano, Texas, Rockstar is home to a mix of IP attorneys, technologists and engineers, and transactions specialists. The job of Veschi and his 40-strong team of largely ex-Nortel employees is to generate a return for the NPE's owners from the 4,000 or so patents that remain under their control (approximately 2,000 other rights in the original portfolio having been transferred to one or other of the original consortium members).

Over the course of two detailed telephone interviews, Veschi explained how they arrived at their current position, the challenges that Rockstar faces and how he views the NPE's future, as well as the wider environment within which it is operating. He is excited by what lies ahead, but is conscious that a changing regulatory world could make his task harder – although far from impossible. Further down the line, do not be surprised to see Rockstar getting into acquisitions, or even undertaking privateering-style work for others. Veschi is a man with a lot of plans. And having achieved what he has so far, it would be a brave person to bet against him bringing them to fruition.

The technology team

What is remarkable about Rockstar, and what distinguishes it from almost every other NPE out there, is that it essentially remains the IP function of what was a fully fledged operating company. Indeed, Veschi refers to the firm as a “former practising entity”. This gives some context, he explains: “Our patents are derived from a product-driven company that was a technology pioneer and invested significantly in R&D.”

Of immense help since the dark days of the Nortel bankruptcy has been the presence of a team of engineers and technologists led by 25-year Nortel veteran Gillian McColgan, Rockstar's CTO. That they are still a part of the operation, however, is more the result of fortune than design. “Where we got lucky was that when Nortel was trying to avoid bankruptcy, the company decided it had to be reorganised in order to prepare for the sell-off of one or more business units. This meant that people had to be reallocated,” says Veschi. Nortel's CTO understood what Veschi was trying to build – an operation capable of extracting the maximum value from the patents that Nortel owned – and shared his view that this required people who knew the technologies underpinning those patents backwards. “That's how I met Gillian and

the diverse set of folks who are now on her team,” Veschi says. That he can call on their expertise is something that sets Rockstar apart from many other licensing-based businesses. “We are staffed by technology lifers: people who dedicated their careers to Nortel. As a result, we really know our IP and the backstory behind each patent. I have yet to come across a patent in our portfolio where someone on our team did not know or work with the original inventor.”

But that is not only a powerful tool today – it was also vital during the bankruptcy process itself, as parts of Nortel were sold off. “Gillian and her team were critical in the patent discussions,” explains Veschi. “Usually you find technology expertise in different business units, but we had it in the IP team: a group of some of the most respected and well-regarded technologists in Nortel. That meant we could make sure we were not going to get beaten up by the various business units trying to do a land grab on the patent portfolio as they moved on; we knew everything there was to know about the patents.”

McColgan & Co were also keen to point out that some people were looking in the wrong places for the real treasure that Nortel possessed. “The world thought that our most valuable assets were LTE and wireless patents; Gillian and her team were offended by that,” Veschi continues. They believed that wireless was not the heart and soul of the company; instead, it was areas such as data communications. “We made sure that everyone knew what was there and that we were not going to squander it.”

This attachment to Nortel's intellectual property speaks to a wider affection



John Veschi, Rockstar's CEO

“There are a lot of people out there using former Nortel IP who aren't licensed yet. In terms of our progress in getting to them, we are probably in the third inning of a nine-inning game; but we are already generating returns for our investors”

Establishing the appropriate reporting lines – business or law?

Before anyone takes a high-profile senior position which involves potentially company-transforming responsibilities, it is a good idea to negotiate carefully. When talking to Nortel about building its proposed IP licensing business, that's exactly what John Veschi did; and one of the areas that came up for discussion was reporting lines.

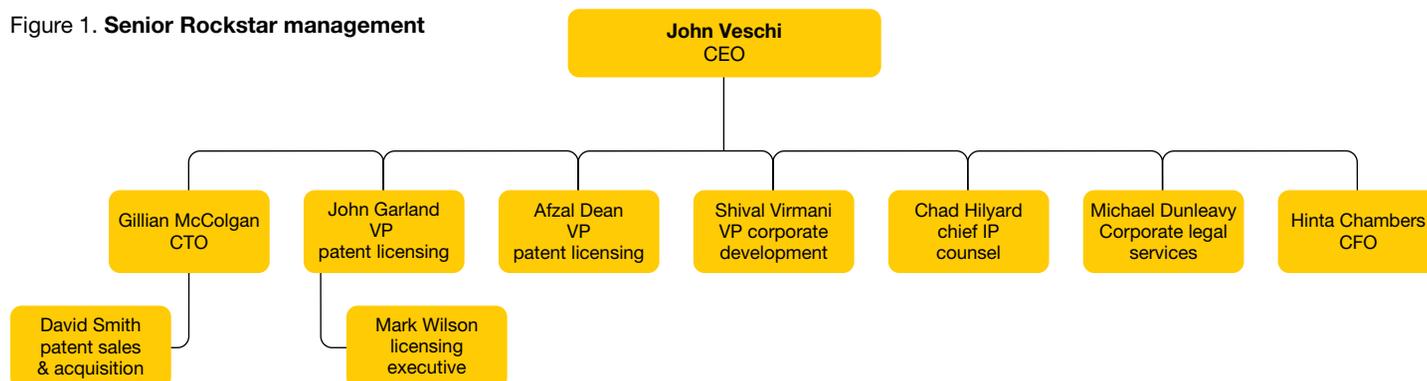
“Nortel's original plan was that I would be the VP of IP reporting to the general counsel,” Veschi explains. It was something to which he could not agree: “I felt that would mean IP would be viewed as a cost centre. To do what I wanted to do, we could not be subordinate to other business units. We were going to need a free rein to assert patents against whoever it was necessary to take on – we could not

have people telling us that we could not because it might damage such and such a relationship.”

His plan, Veschi continues, was to make intellectual property less of a legal function. “In the end, it was agreed that I would be appointed as chief IP officer (CIPO), initially reporting to both the general counsel and the chief technology officer, and then reporting directly to the CEO once the licensing business was established.”

To have been reporting direct to the CEO in a company the size of Nortel would have made Veschi one of the world's highest-profile CIPOs. Whichever way the Nortel story was to have unfolded, it seems, Veschi was always destined to make a significant impression.

Figure 1. Senior Rockstar management



that these seasoned employees had for the company itself. “Once you were at a company like Nortel, you did not tend to move around, so we have a team of people who had spent 20 or 30 years there. They wanted to do the right thing by it,” Veschi claims. And it soon became apparent to all those involved in the bankruptcy process that such loyalty and expertise made the team itself a significant asset in its own right. “The buying community got pretty comfortable with the fact that the portfolio would have substantially more value if the team came with it,” he says.

Thus, even before the final deal was sealed, it was clear that whoever ended up buying the patents would take the Nortel IP team too. And that even applies to Google. “I can’t imagine that they would not have wanted to keep everyone together,” Veschi states. “They may not have been actively licensing the patents, but they would still have needed to know them, so it is likely that the team would have been moved to Mountain View. That could have been something of a culture clash, given the average ages of our team and Google employees.”

Commitments to the DoJ

The sale of the Nortel patents closed on 29th July 2011, which also happens to be Veschi’s birthday. But it took another few months – until Spring 2012 – for the acquisition to receive clearance from the US Department of Justice (DoJ). Although this approval may have taken some time to obtain, the only commitment that Rockstar itself gave to the DoJ (and the Federal Trade Commission) was that it would operate autonomously. This, explains Veschi, was so that the shareholders “as operating companies cannot pick and choose who we will target”. Rockstar made no undertakings as to how it would license FRAND-encumbered patents, as the bankruptcy court had already dealt with this issue.

In some quarters, much store has been set by Veschi’s comment in an earlier interview with another publication that Rockstar is not bound to promises made to the regulators by Apple and Microsoft. He is keen to clarify what he meant by this. “The commitments that they have given relate to the patents that they have taken ownership of from the Nortel portfolio. Our commitments relate to the patents we control – so there is absolutely no link and nothing that ties us to what they have agreed. We are a separate company,” he says.

Some, Veschi continues, have taken his original remarks to mean that the NPE is being used in some way as a vehicle to wash away commitments made by a predecessor in title. That is not true, he insists: “I simply pointed out that the commitments those companies made about their future patents have no bearing on Rockstar. We are a separate company and were never asked to make any commitment. Interestingly, the folks who have written about this as if there was something unseemly going on – none of them has ever asked me about it. It’s as if they have the sound bite and the interpretation that supports their cause, so why confuse it with facts?”

Rockstar has an ongoing dialogue with the DoJ, the last time they got together being in February this year. And Veschi says that the relationship is a good one: “They know we are not seeking to harm anyone else relative to their peers or competitors. They understand and are comfortable with what we are trying to do. I have been very impressed with the depth of their knowledge of the issues.”

That said, the commitments that Rockstar has made do mean that Veschi must be careful about how he interacts with its owners. “We do not talk to the shareholders about potential licensing partners or any potential infringers that we may have targeted,” he explains. “I have to show them progress and that real work

Doing the deal

Once a potential infringer of Rockstar intellectual property has been identified, it is a matter of sitting down with them in order to hammer out a licensing deal. In many instances, 'fair, reasonable and non-discriminatory' (FRAND) obligations loom large – even if, strictly speaking, that did not have to be the case. Although around 90% of Rockstar patents in areas such as wireless and data networking have some standard or other associated with them, under Canadian law any FRAND commitments given by Nortel to standards bodies could have been repudiated during the bankruptcy. But, says John Veschi, it was decided not to do this. Instead, the company chose to make sticking to previously made FRAND commitments a condition of sale.

Even where FRAND is not involved, Veschi is keen to emphasise that Rockstar deal makers want to be seen to be treating

licensees fairly. "We will ask the other party what it is they want to license and strive to negotiate a licence that is fair and reasonable for them," he states. The offer gets a mixed response: "Some appreciate our approach; others would prefer to simply call us a troll!"

The reaction often comes down to who is on the other side of the negotiating table. "Every company we engage with is different; some are more sophisticated than others, for example. In some cases we talk to the businesspeople; other times it might be the in-house IP team," Veschi says. "Sometimes we end up with outside litigation counsel. They usually come with the wrong perspective because they are already thinking about juries. But we believe we should get credit for not initially suing the company in question, as we prefer to sort things out in the boardroom rather than in the courtroom."

is being done, but we tend not to go into details." Veschi schedules periodic calls and meetings with the owners – mainly with their respective heads of intellectual property – and, he says, they work well together. "But all of these guys have day jobs; how Rockstar performs is probably largely irrelevant to how most of them are judged," he acknowledges.

The sensitivities of this relationship also affect the way that Veschi interacts with senior staff inside the NPE. "I rely on my leadership team more than the typical CEO might. There are things that I cannot share with the board in the way that other CEOs might, so I probably spend more time speaking with my colleagues at Rockstar to get the appropriate amount of diversity of thought." Likewise, he continues, some of the other activities that another CEO would typically undertake, such as cultivating potential investors, are not matters that he needs to spend time on: "As a result, I probably spend more time as both a COO and a CEO."

Mining and money

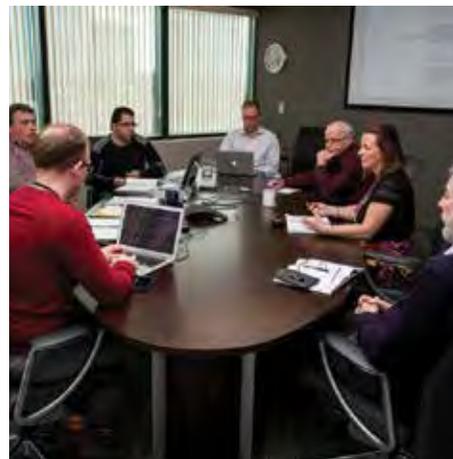
It may be an arm's-length relationship, but Rockstar's shareholders still want to see their investment realised to the maximum possible extent; and Veschi knows that he will be judged on the success or otherwise of his strategies to monetise the portfolio.

First of all, though, he has to decide which parts of it to mine; and there are plenty of choices. "It turned out that those

companies like Nortel, which did 'find a better mousetrap'-type R&D, have been less successful over recent years than those companies whose R&D was much more consumer facing," Veschi says. "But Nortel made mobile phones before many of the companies that make them now did; and it was similarly investing significantly early on into looking at what could be done on the Internet. It was grappling with problems and finding solutions a long time ago – what is natural today just wasn't back then. The patents that we own are a representation of the investments that were made."

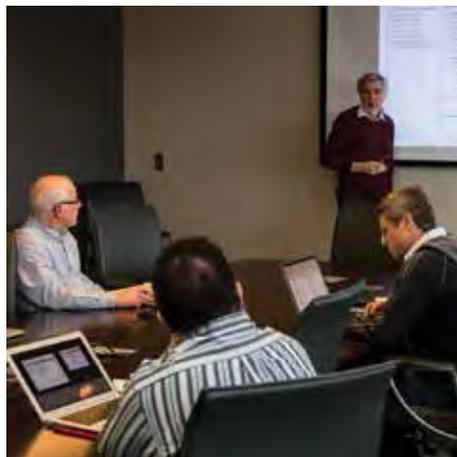
Although Veschi will not talk specifically about the technology areas he has chosen to prioritise, he does point to a diagram that has been distributed internally (see Figure 2), which provides certain clues. It is composed of a series of concentric circles. "The smallest circle contains the three classical scientific disciplines – biology, chemistry and physics – and the explosion out to the right is basically a description of the high-tech world," he explains. "The further out you get, the closer you get to the consumer. Right now, we are very active in about a half dozen of the areas named in the chart, while we are doing serious preparatory work for six to 10 more. Though I am not comfortable saying which ones precisely, I can say that most of them are in the upper-right quadrant."

The monetisation game, he continues, is still in its early stages: "There are a lot of people out there using former Nortel



Rockstar CTO Gillian McColgan leads a meeting

Starting with the man in the red shirt and working clockwise – David Smith, director, patent sales and acquisitions; Bruce Schofield, technical expert; Chris Briggs, senior programme manager; Hamid Ould-Brahim, internet technology expert, distinguished member of technical staff; Derek de Laat, senior financial analyst; Ron Steeves, patent licensing adviser; Gillian McColgan, CTO; Liam Casey, IP technology consultant



Deep analysis

Starting with man at the projector screen and working clockwise – Liam Casey, IP technology consultant; Peter Lorenz, senior business analyst; Hamid Ould-Brahim, internet technology expert, distinguished member of technical staff; Ron Steeves, patent licensing adviser

IP who aren't licensed yet. In terms of our progress in getting to them, we are probably in the third inning of a nine-inning game; but we are already generating returns for our investors."

Given the number of potential infringers out there, one way to a series of quick wins might be to start calling in the litigators, but this is an approach that Veschi rejects. "You could say that if we were to truly maximise the value of the portfolio, we should be suing everybody. But although our job is to get a good return on the investment that the owners have made, we strive to bring in revenue in a balanced way that is fair and reasonable. The shareholders are comfortable with that," he states.

While Rockstar has yet to initiate a lawsuit, Veschi believes that this is bound to change: "I suspect we will need to resort to litigation in the near future, as some of the users of our patents feel no remorse or obligation to pay fair royalties." But it is not a prospect he relishes: "Personally, I think it's a shame that some users choose, as a matter of course, to treat you like a second-class citizen if you haven't sued them. Systemically, something seems wrong with that picture." Generally, Veschi continues, litigators hold too much sway currently: "If you look at the IP business market at the moment, it is too skewed towards the litigators being in charge. That is damaging. We have to take control back. If everything is run by them, you get sub-optimal results. We need to figure out better ways of recompensing the innovator."

Another dilemma vexing Veschi is how

deep to dig into the portfolio mine. "We have a very diverse portfolio and my job is to do the right thing by it. We could try to do everything and then run the risk of doing nothing well; while the reverse risk is that we focus closely on one or two areas and let everything else go by the wayside," he explains. "It's like yin and yang, and I admit that I struggle with it. Our engineers would go off in all directions if they were left to their own devices and that would be chaotic; but I don't want to confine them to too narrow a charter either. In the end, it comes down to how strong our patents are and the size of the markets that they can be applied to."

More than licensing

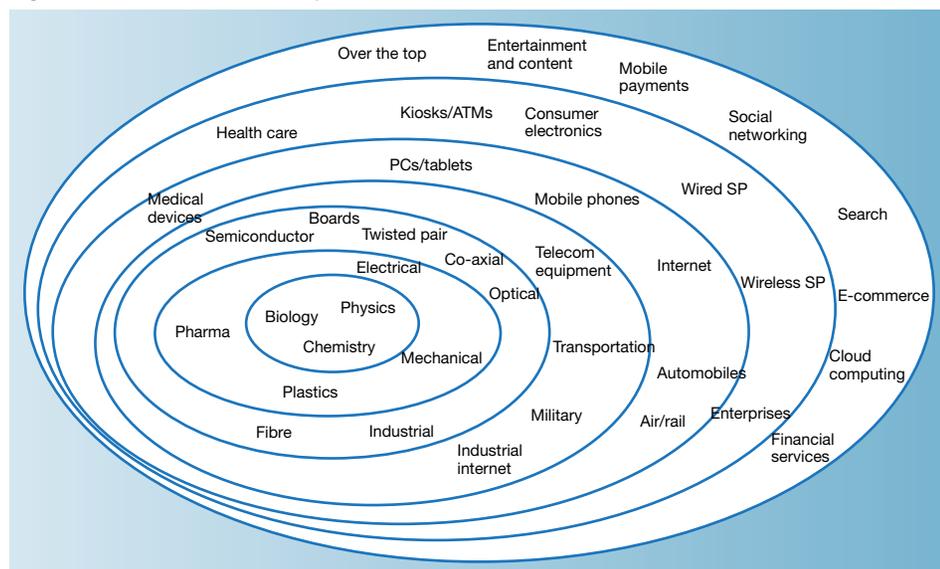
When it comes to monetisation, of course, licensing is not the only option. Of increasing importance over recent years are sales. They are part of the Rockstar offering too – although not, as yet, a big one. "With sales, we do a lot more thinking than doing. There are a lot of opportunities, but it is not our primary business. About 20% of my time is probably invested in talking about sales and partnerships, but it has to be a no-brainer for us to go ahead with a deal," Veschi states.

That said, his philosophy is never to say never: "There are no Rockstar assets that are not for sale. Does that mean they will be sold? No. But if an offer is made, we cannot refuse that they will go. That is business." Sometimes, Veschi states, patents are simply more valuable in someone else's hands. "We are often approached by other parties about sectors or sub-sets of our portfolio that they would like for either tactical or strategic needs. We need to explore those opportunities," he says.

But Rockstar is more proactive than that. Veschi believes that a healthy licensing business should keep a close eye on which assets are not being used and may be withering on the vine: "We have to make sure that they do generate some value, if possible – so we send out catalogues that detail patents which are for sale, while people contact us too. Also, our sales team is out in the market all the time, interacting with other parties and assessing where we might be able to place assets. We have to maintain a constant strategic overview on what we have."

There is also a licensing angle to being seen to be willing to contemplate sales, Veschi believes: "It may help to concentrate certain parties' minds when it comes to a negotiation. Maybe they should agree to a licence with us just in case we sell the relevant patents. We have a lot of very good

Figure 2. The world according to Rockstar – 2013



assets and do not need them all.” What it all boils down to, he says, is for him to be put “in a place where I have to make a difficult decision about whether we should let something go or not”.

Given its ownership, though, is there a possibility that while Rockstar may be willing to sell off parts of its portfolio, there may be certain parties that it is not willing to do business with – especially as sales are not covered by any commitments that have been made to regulators? Veschi says absolutely not: “We work the deals within our charter. Just like in the context of licensing, the shareholders do not influence the decisions on who we deal with.”

The wider world

Rockstar does not operate in a vacuum and it has not escaped Veschi’s notice that the environment in the United States has become more hostile towards NPEs recently. What he would like to see, he explains, is a little more contextualised thinking about the issues.

“I don’t want to defend all NPEs. What some of them do is troublesome and very litigation-centric, but they are part of the evolution of the corporate world in general,” he says. The issue is by no means as clear-cut as ‘operating company good, NPE bad’, he claims: “When you go back to the good old days, you find companies that did everything in North America – from R&D through to manufacturing. Now a lot of this activity has been moved offshore. Why is a company that moves its factories to Asia considered more of a good guy than one which does not manufacture at all, but does much of its R&D work locally?”

And it’s not as if big operating companies have a faultless record when it comes to intellectual property: “The classic NPE is the little guy working in his garage who comes up with an idea and gets a patent. If he then discusses his idea with a product company, which says, ‘Thank you very much, now go away,’ the only thing he has to protect himself is his patent.”

Rockstar’s own experiences have made Veschi – who has never previously worked inside an NPE – sympathetic to what many NPEs are up against when trying to deal with operating companies. “When we are negotiating deals, we find that companies which look similar from the outside behave very differently when we sit down with them,” he states. “For the most part, we get respect, but some people get very emotional and quickly resort to name calling – that indicates to me they do not understand the situation they are in. You’d think that

A US-centric organisation thanks to Nortel’s money men

Although many US-based NPEs believe there may be significant potential in developing business abroad, for Rockstar the focus will have to remain the United States, John Veschi explains: “We are more of a US-centric organisation. We cannot fix the fact that in the past, Nortel decided not file abroad as much as it did in North America.”

In general, Veschi says, a lot of the decision makers at the company saw the US market as the one to concentrate on. “It was like a Picasso painting in some ways – things were out of proportion,” he says. Although there was very strong R&D, there was not an equal commitment to protecting

it: “The finance people and accountants seemed to have led the decision making.”

Given the circumstances, he continues, the IP department can only be praised for creating what it did: “The IP people – battling against a lot of headwind – did a great job and we have got the benefit from that. When you look at the portfolio you see cases where the patent committee likely had, say, 25 really good inventions, but budget to only file 10 patents; even so, if you look at the way those patents were prepared and prosecuted they got a lot into them. In the end, though, there was only so much they could do.”

people would realise they need to pay for the IP they use, but some are almost hysterical when we point out they cannot have our stuff for free. If that is the way they treat us, you can only wonder what it is like for a typical small NPE.” The truth is, he says, some potential licensees just do not want to be fair and reasonable: “It is important to know that just because a company is a practising entity, that fact does not make the company a good guy. There are some unscrupulous characters out there on all sides of these issues.”

However, Veschi is not set against all reform. He opposes the proposed Saving High-tech Innovators from Egregious Legal Disputes (SHIELD) legislation in the United States, which would introduce a loser-pays regime specifically aimed at what its authors describe as “patent trolls”, but he is not opposed to loser pays *per se*. In fact, the opposite is true: “I have always been a fan of loser pays, but in a way that treats everybody the same. What you see with SHIELD is an attempt to discriminate against certain types of businesses. That is misguided. There are plenty of practising entities that are very comfortable with infringing and not paying royalties; loser pays across the board would encourage everyone to act a little more like a good guy.”

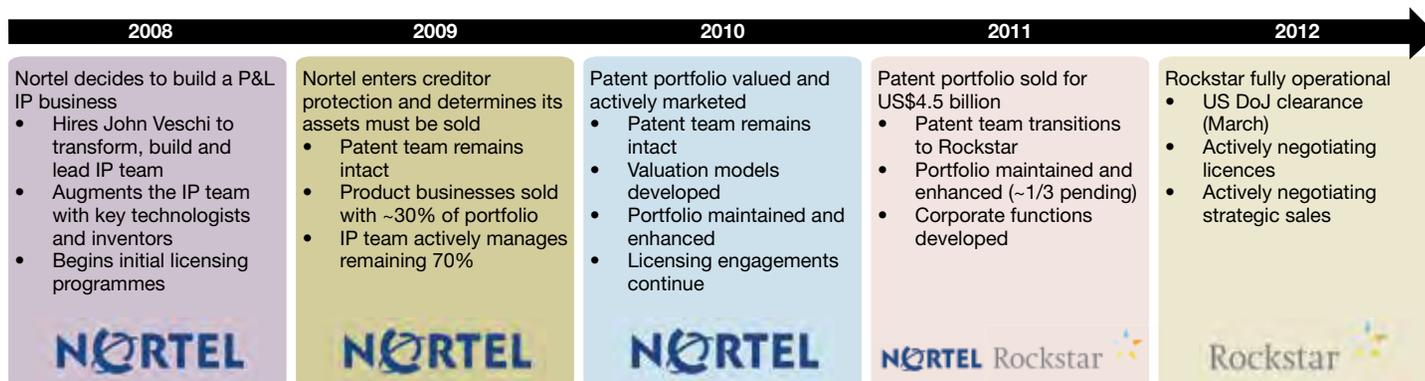
Likewise, Veschi supports recent moves spearheaded by the US Patent and Trademark Office (USPTO), as well as certain companies such as Microsoft, to introduce greater transparency into patent ownership. “Those with good portfolios should be very comfortable with transparency and more of it makes a lot of sense,” he says. “We are not trying to play hide the ball with our portfolio, and if the law changed to make it a requirement to register every licensing deal I would be



Reading the runes

From left to right – Peter Lorenz, senior business analyst; John Veschi, CEO; and Ross Morgan, CFO

Figure 3. Rockstar journey



fine with this – but I am not going to do it unilaterally and I wouldn't expect anyone else to do so."

Enhanced transparency, Veschi claims, would help to make the market more efficient. At the moment, sometimes the only way to get information is through litigation – for example, to use discovery to find out who the true owner of a patent is or what other deals are related to it. "Since I think the patent marketplace is already too litigation-centric," he continues, "I would be in favour of some changes here. However, for me, it is better to have this codified somehow, so that depositing information would be like registering a deed. It could be that for a licence to be enforceable, it has to be recorded. To me, this looks like a good area for reform, and maybe a place where the USPTO can play a leadership role."

Whatever happens, though, Veschi firmly believes that Rockstar will adapt and prosper: "I am not sure how the regulatory and legal environments will evolve. Reforms may make it a little harder for us to do deals or may raise our costs slightly, but we have a very strong portfolio and whatever measures may be in place, I am confident we will be able to deal with them."

Into the future

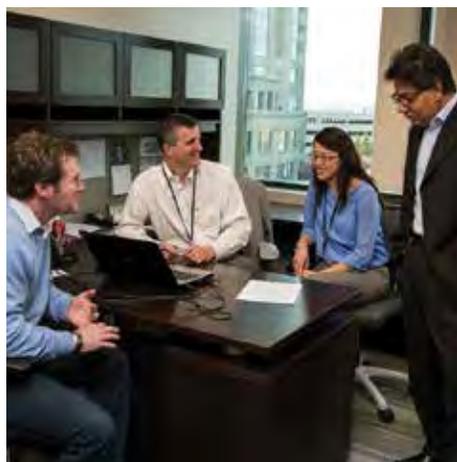
With 4,000 patents to exploit and plenty of deals still to be done, on the face of it the future looks like a long and bright one for Rockstar. But things are never that simple. The reality is that every single asset in the firm's portfolio has a shelf life, which gets shorter as each day passes. Therefore, unless acquisitions happen or new business models are developed, Rockstar will also have a finite existence. Veschi seems well aware of this.

"We have done some thinking about acquiring, but not a lot," he states. "It might

happen down the line, but we have so many toys already that we want to play with first." Right now, he continues, it is difficult to imagine spending much time focusing on what others have, given that Rockstar is mining its own portfolio and is still finding valuable assets; but the situation could well change. "It would not surprise me if a few years down the road, we had significant IP other than what we currently own," he concludes.

Likewise, there may be opportunities to roll out new types of business offering – among them privateering. Veschi states that he will leave it to others to decide whether Rockstar is already a privateer, but whatever definition of the term people may want to use, the consortium could well become one in the future. "We are often asked about whether we would be interested in getting involved in privateering by those we are doing licensing deals with – they look at the quality of our people and wonder whether we can help them with their patents," he says. "This may be something we look at more closely further down the road, because it can be an attractive proposition, but it is not a priority because we still have a lot of our own IP to work with first. That does not mean, though, that with the right economics we cannot be forced to change our minds. Five to 10 years down the line, I can certainly see us managing the Rockstar portfolio, plus other IP assets as well."

For either that or acquisitions to happen, though, Veschi will need to go back to the shareholders and make his case. But while it is one thing to be the co-owner of an NPE that is essentially managing a portfolio of patents acquired from a bankrupt company in an open auction primarily for operational reasons, it is quite another altogether to be seen to be the ongoing backer of an NPE which is going into the marketplace to acquire more rights solely for the purposes



Discussing a prospect

From left to right – John Garland, vice-president, patent licensing; Ross Morgan, CFO; Pam Yeh, controller; Afzal Dean, vice-president, patent licensing

of monetisation – especially when, in the greater scheme of things, the revenues generated for owners with turnovers of tens of billions of dollars from their main business lines will never be that significant. Given the heat surrounding NPEs at the moment, diversification and continuation of the Rockstar business may not be in the game plans of Apple, Ericsson, Microsoft *et al.*

A possible scenario for Rockstar five or so years from now, therefore, is that it will not actually be owned by any of its current shareholders. Instead, Veschi and his team may be in complete control, having secured some kind of management buy-out and with it the ability to create an NPE with a long-term future and full operational flexibility. This, it should be added, is not something that Veschi has even hinted at. But it would be a scenario which may well work for all concerned. And no one who has spent any time with Veschi – and who has observed what he and his team have achieved over the last five years – would bet against it. *iam*

Joff Wild is editor of *IAM*

Action plan



Rockstar was born following the auction of Nortel patent rights in New York in late June 2011, when a six-company consortium acquired the 6,000-strong portfolio for US\$4.5 billion. Its current owners are five of those companies: Apple, BlackBerry, Ericsson, Microsoft and Sony. John Veschi, former chief IP officer of Nortel, is Rockstar's CEO:

- Rockstar, says Veschi, has made commitments to the US Department of Justice and Federal Trade Commission to operate autonomously.
- Although accountable to the five owners for Rockstar's performance, Veschi does not talk about potential licensing

targets with them; neither do they influence whom the firm sells patents to.

- All Rockstar patents are potentially up for sale if the offer is good enough.
- Many, though not all, Rockstar patents are offered on fair, reasonable and non-discriminatory terms.
- Veschi is a supporter of the introduction of a loser pays system in US litigation. He also supports greater transparency with regard to ownership.
- Although not currently under active consideration, acquisitions and privateering are realistic propositions for the longer term.



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- **First to implement total quality management**
ISO 9001: 2008 Certificate in the Turkey's IP Business since 2001
- **High client satisfaction rate**
Full understanding of clients' needs and satisfying expectations on expert counseling, fast response, clear communication and cost effective quality IP services, with brilliant and satisfied solutions over conventional wisdom through our commitment and involvement in diverse IP matters

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