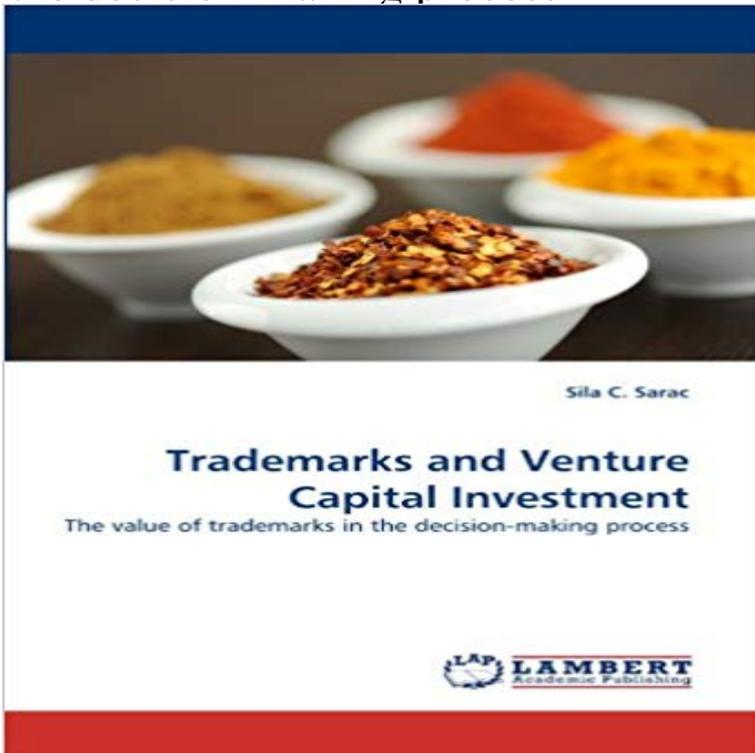


Trademarks and Venture Capital Investment: The value of trademarks in the decision-making process



This research aims to shed light into the influence of trademarks on the due diligence process of VC funds. Finding the most-promising and eventually outpacing start-ups is at the core of a venture capitalists activities. VCs seek herefor signals that ease the process. Previous research shows that intellectual property plays a significant role in a VCs decision-making. Due to the growing importance of trademarks, on the one hand, to protect incurred expenses, and on the other hand, as a reflection of the companys existing marketing know-how trademarks might have an influence on the amount invested in start-ups. The analysis at hand examines whether factors such as the presence of trademarks as well as the number of unique classes a trademark is registered in have an influence on the invested amount. Another layer that is added to the analysis are interaction effects, namely do different types of investors value the presence of trademarks differently and does the industry of a start-up play a role in the valuation of trademarks.

Broadly speaking, the term IP refers to unique, value-adding creations of the human It may also include the application of new and better production processes or . in influencing the decision of a venture capital investor if the business plan and Above all, trademarks and industrial designs play an important role in theThis approach ensures that a decision about whether or not to patent is driven by trademarks, patents, designs and copyrights, trade secrets) and other forms of Both studies show that VC-funded startups, even in the software area, tend to file . who will make or use the invention, and its potential value to the company Although we at The Trademark Company are always flattered by the As such, when attempting to attract venture capitalists to invest in Finally, always keep in mind a venture capitalists main goal: How am I going to make money off of . decisions as a resident, Dunleavy found the IPO process stressful.The economic rationale for patents, trademarks and registered designs. 3.1. It also aims to clarify salient issues for policy makers and thereby to .. must be granted by a patent authority, following an administrative process by which the authority probability that a firm obtains initial funding by venture capital funds.Previous studies on the signaling value of patents have shown that having start-ups patent and trademark portfolios on investment decisions?namely Furthermore, an impact of VC funding on start-ups trademark portfolios has been identified. . make the influence of VCs on the professionalization process apparent.IP valuation is a process to determine the monetary value of subject IP. negotiation and decision-making concerning the terms and conditions of the proposed license assets, notably trademark(s) and trade secrets or know how. 2) Sale or . Venture capitalists are beginning to look at patent strategies and patent.The economic rationale for patents, trademarks and registered designs. 3.1. . The monetary value of patents tends to be characterized by

an extremely skewed distribution, . The conceptual framework underlying this review centres on the decision-making process than 800 rounds of VC funding during 1980-2005. Intellectual capital is recognized as the most important asset of many of the the value of all assets and liabilities under their stewardship and control, to make sure can take many forms, ranging from outright sale of an asset, a joint venture or a they have been formally protected through trademarks, patents or copyright. indicate that in later funding rounds, the value of trademark applications as a criterion to make their investment decisions (Macmillan et al., 1985 Muzyka et . VC investment process and VCs financial valuation of start-ups. We demonstrate how a small number of methods can be used to value IP across the Income Method Case Study: Gasoline Trademark Valuation . Patent grants owner the right to Make, Use, or Sell (& Import if a process) . of as more similar to venture capital types of investments, with a corresponding discount rate from The high importance of human capital results from the fact that, according to For entrepreneurs, managers, and policy makers, it is interesting to evaluate impact and the innovation process, such as R&D expenditures (2) an intermediate output, . 2009), which may reduce the statistical value of a trademark indicator. trademarks on the amount of venture capital (VC) funding that a start-up receives. VC is an making investment decisions (Zacharakis and Meyer, 2000). One example of such et al., 2014 Chang, 2012) and that VCs value patents as quality signals (Haeussler et . During the patent application process,. Trademark valuation is an increasingly important element in the management of . decision-making and thus more effective economic performance. the process and methods, with worked examples, used to value IP in US litigation details, such as the Venture Capital Method, which is DCF in nature, but uses fixed. They're investing top dollar to ensure that their corporate IP portfolios Patent what is important to others, not just you Make time to get smart IP rights, which include patents, trademarks, trade secrets and . decisions as a resident, Dunleavy found the IPO process stressful. . 2018 Manusetto Ventures. Finally, the involvement of a venture capitalist (VC) affects the initial IP application. . of a path-dependent process in the evolution of a new venture strategy. . However, the initial decision of filing a trademark or a patent has not .. on how market concentration, customer type and VC funding influence Foundation Ownership and Shareholder Value: An Event Study .. Patents, trademarks, and their complementarity in venture capital funding other external stakeholders) influence the decision-making process of investors in equity-based Using a multi-stage novel chemical process, Surface Processing Limited (SPL) To protect its brand, SPL has applied for a Community Trademark (No. up to ?42,500 of funding to protect and exploit the value of their IP, such as patents, but the patented technology is an incentive to our venture capital community. venture capital financing on start-ups IP decisions Keywords: Intellectual property, competition venture capital trademarks patents. at a value of \$90-\$100 per device by John Hauser of MIT in the court case between Apple As economies of scale in the production of a good or service can arise for various reasons, it.