

blog

Nortel actively seeking buyers of its \$1 billion patent portfolio

There's more news on the potential Nortel patent sale that [this blog has been following](#) over the last few months. [Stuart Weinberg of Dow Jones Newswires](#) reports that the company is now actively soliciting bids for its portfolio. All interested parties are being asked "to sign what is being described as a very strict non-disclosure agreement". Weinberg then quotes someone close to the process: "Even the fact that...you signed (the NDA) is confidential."

Previously I have wondered whether those looking after the disposal of the Nortel assets have brought in [specific IP expertise](#). Given that so much of what the company owns is patent and trademark based that seemed to be a very important point to me. Well, it looks like there is no need to worry on that front. Weinberg states that both Lazard and [The Global IP Law Group](#) are advising Nortel. The Global IP Law Group, which is based in Chicago with other offices in the UK and New Zealand, describes itself as "an elite small law firm focused on monetizing intellectual property with global reach and experience". If you look at the [bios of the partners](#) you will see that they do have plenty of expertise in this area. I have met one of them - [Ragnar Olson](#), who until quite recently was with the transactions group of Ocean Tomo ([sold to ICAP last year](#), you will remember) and was a key player in its auctions business. Olson left OT [last February](#) prior to the sale.

Nortel still has to decide whether to sell its patents or to set up a specific licensing business to monetise them that way. Weinberg states that opinion is split on this inside the company. If it were me I would be taking the money and running, free of all further responsibilities (but maybe that's why I am a journalist!). If the sale option is taken, the next issue is who gets to buy - Weinberg mentions RIM as one potential purchaser, but I can imagine plenty of other people are interested too. Not least any number of non-practising entities and defensive patent aggregators. A sum of \$1 billion is mentioned, but there is surely plenty of scope for a bidding war to emerge that, with a fair wind and skilled deal-making, could take that sum higher.

Sectors

Licensing, Patents, IP business, IP valuation