

Monetization Review

January 21, 2022

INSIDE

Top 10 Global University
Ranking for US Patents in
2021

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In 2021 more than half of
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Patent Monetization: A primer

What does it mean to
monetize a patent?

University of California system ranks as the top university globally with the most number of US patents issued in 2021



Top 10 Global University Ranking for US Patents in 2021

- DJ Nag, Ph.D., MBA, CLP, RTTP

Patents are a strong indicator of the innovative research performed by universities around the world. US patents remain the most valued patents in the world because of the size of the economy.

In 2021 the **University of California system** with its 9 campuses took the top spot among all universities globally. With 671 US utility patents issued, it ranked number one amongst all universities and number 67 overall in the world. It was followed by two other university systems, **State University System of Florida** with 419 patents came in at number two and **MIT with 402 patents was at the number 3 spots**¹. One could argue that with the university systems reporting their patents together is not a fair comparison to the other universities which report their numbers on their own.

MIT ranked #1 among individual universities reporting the highest number of US patents issued in 2021.

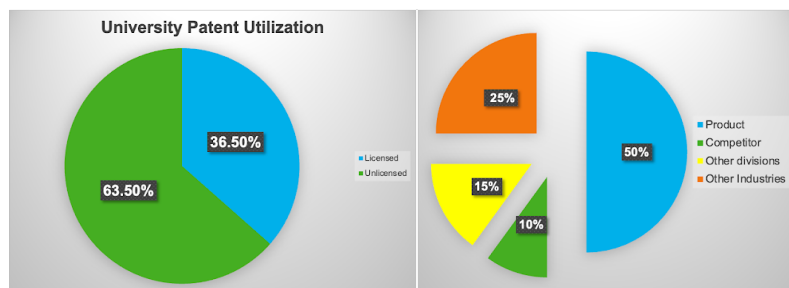
Overall Rank	Rank	UNIVERSITY NAME	US UTILITY PATENTS ISSUED (2021)
67	1	UNIVERSITY OF CALIFORNIA	671
105	2	STATE UNIVERSITY SYSTEM OF FLORIDA	419
109	3	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	402
174	4	ARIZONA BOARD OF REGENTS	279
190	5	UNIVERSITY OF TEXAS SYSTEM	246
215	6	HARVARD UNIVERSITY	210
220	7	STANFORD UNIVERSITY	205
242	8	KING ABDULAZIZ UNIVERSITY	184
243	9	PURDUE UNIVERSITY	181
252	10	CALIFORNIA INSTITUTE OF TECHNOLOGY	173
277	11	JOHNS HOPKINS UNIVERSITY	158
287	12	UNIVERSITY OF MICHIGAN	153
289	13	HANYANG UNIVERSITY (IURCF)	151
297	14	WISCONSIN ALUMNI RESEARCH FOUNDATION	149



Kind Abdulaziz University

Kind Abdulaziz University is not a newcomer to a large number of patents issued to its name. In 2020 it ranked 33 among all universities as reported by the National Academy of Inventors, the organization that ranks overall top 100 universities on an annual basis.

¹ Error corrected: Thank you to Lesley Millar from MIT!



Why should Universities monetize patents?

A close look at the AUTM licensing survey numbers revealed that approximately 63% of university patents remain unlicensed and are eventually abandoned

63.5%* of the patents from universities are never licensed and eventually abandoned. Corporations are like universities that most of their patents are also not licensed. Patents are created at corporations as a defensive strategy for products, whereas universities do not have any products to defend. It makes more sense for universities to try and monetize the patents which are never commercialized and will eventually be abandoned.

Corporations can afford to have patents on their shelves to protect their products. Universities cannot afford to have patents that are passive. Either they are bringing in revenues, or they are abandoned, although some patents are filed just to make faculty members happy!

* AUTM Survey 2008-2018 using (patent expense reimbursed/ total patent expenses)

Where have all the patents gone?

Ranking data from Harrity & Harrity LLP

Intellectual property is key to success for any economy. In 2021 more than half of the US patents were awarded to non-US entities. If we look at the top patent holders of 2021, there are four multinational companies with roots outside of the US in the top five.

1. IBM has been the leader for the 29th year in a row.
2. Samsung Electronics Co. has been at #2 spot for a while as well.
3. LG Corporation
4. Canon K. K.
5. Huawei Technologies Co. Ltd. in spite of all its challenges, has been focused on increasing the number of patents in their portfolio.



Patent monetization: A Primer

Most patents (>90%) will never generate any revenue or even recoup the cost of filing the patent. Most patents are created by corporations for defensive reasons. For individuals and universities which are not in the business of making a product, there is no defensive strategy. Either you monetize your patents through licensing or sale or assert the patents against infringers. After all, a patent is a negative right.

Patent monetization is the realization of value that you receive from an entity that is already using your patent, without paying you a fair royalty.



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