



# Looking into the Digital Crystal Ball

Gaining Insights for Investment Decisions  
with Advanced Patent Analytics

# Advanced patent analytics can provide a glimpse into the company's future



Patent intelligence has become indispensable for knowledge-focused companies hoping to gain an edge over their competitors, but it is also a source of invaluable insights for investment decisions. Importantly, with the right solutions at hand, IP analytics can not only reveal a company's past drivers of success in terms of key technologies but also provide a glimpse into the company's future.

In addition to uncovering prospective licensing opportunities, litigation threats and M&A leads, sophisticated patent analytic tools can be used to evaluate the innovative strength of a company's portfolio, which can be used to assess its business potential.

In this white paper, an in-depth study of the patent holdings of Palantir – one of Silicon Valley's most mysterious and successful companies – shows how advanced patent analytics can help investors stay ahead of the curve when it comes to measuring the future business potential of technology companies.

# A behind-the-scenes look with intellectual property valuations

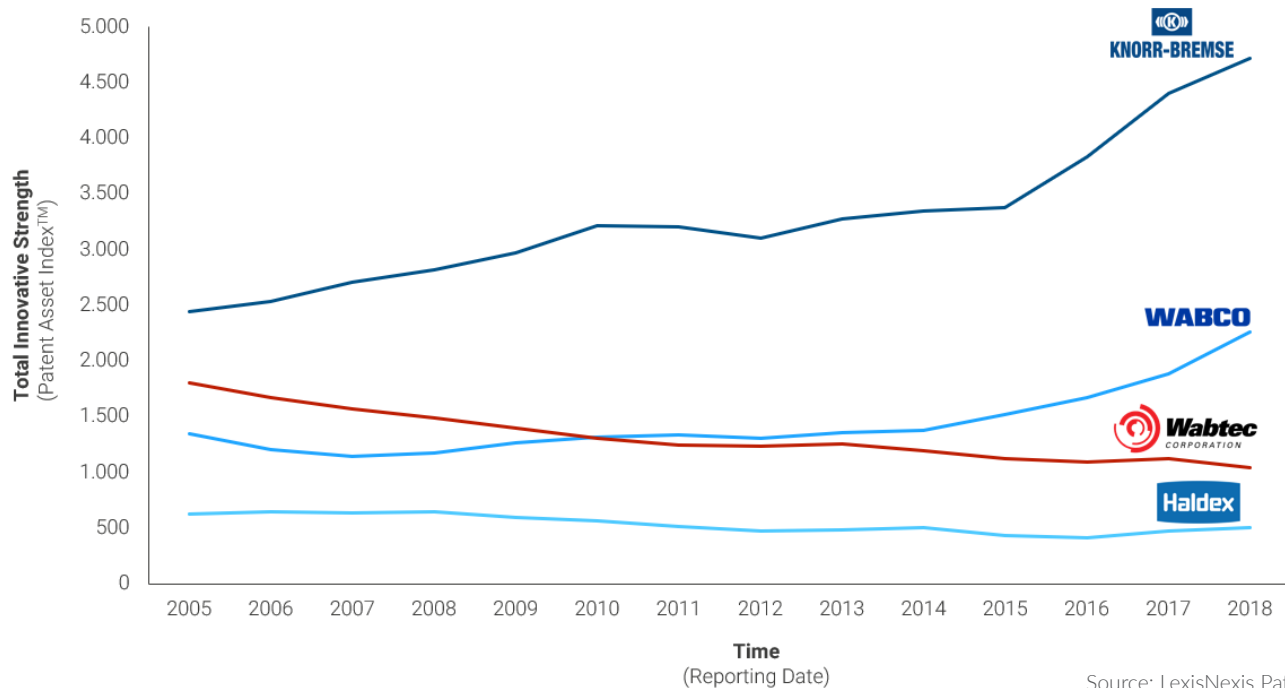


The findings from traditional IP analytic methods are often difficult to decipher and interpret; frequently relying on sheer patent filing numbers alone, these results tend to obfuscate any meaningful trends or revelations. Advanced patent analytics, on the other hand, can hone in on the quality and make-up of a company’s portfolio, thus providing an overall measure of innovation. This makes it a useful benchmarking tool for broader comparisons with competitors, as well as for gauging the impact of developing and growing technologies.

For example, Knorr-Bremse, a global market leader for braking systems, debuted on the stock market in 2018, making it Germany’s second largest IPO of the year. Using PatentSight’s Patent Asset Index™ - the measure of a patent portfolios’ total innovative strength - the quality of the company’s patents can be appraised, making it plain to see that Knorr-Bremse’s commitment to R&D has resulted in a portfolio of assets notably more robust than those of its competitors. And, this gap had only widened in the years leading up to its IPO.

Such advanced analytic tools can help to illustrate clear trends and equip investors with an objective evaluation of a company’s innovative strength, providing crucial information for investment decisions.

**Total Innovative Strength Trends**



Source: LexisNexis PatentSight

# A case study of Palantir: Silicon Valley's most secretive company

Founded by Peter Thiel (co-founder of Paypal and one of Silicon Valley's most successful investors), Palantir specialises in big data analytics and data mining. The privately held company's operations are clouded in secrecy – the start-up reportedly generated almost \$1 billion in revenue in 2018 with an average growth rate of 25% per year, but it has never published any profits or losses.

Palantir's client base supposedly includes various US government agencies and also some major corporations from the private sector, and it has enjoyed an average growth rate of 25% per year. As the company considers the possibility of going public, some banks have suggested its IPO could be worth as much as \$41 billion: This would place its valuation at over forty times its revenue from the last year.

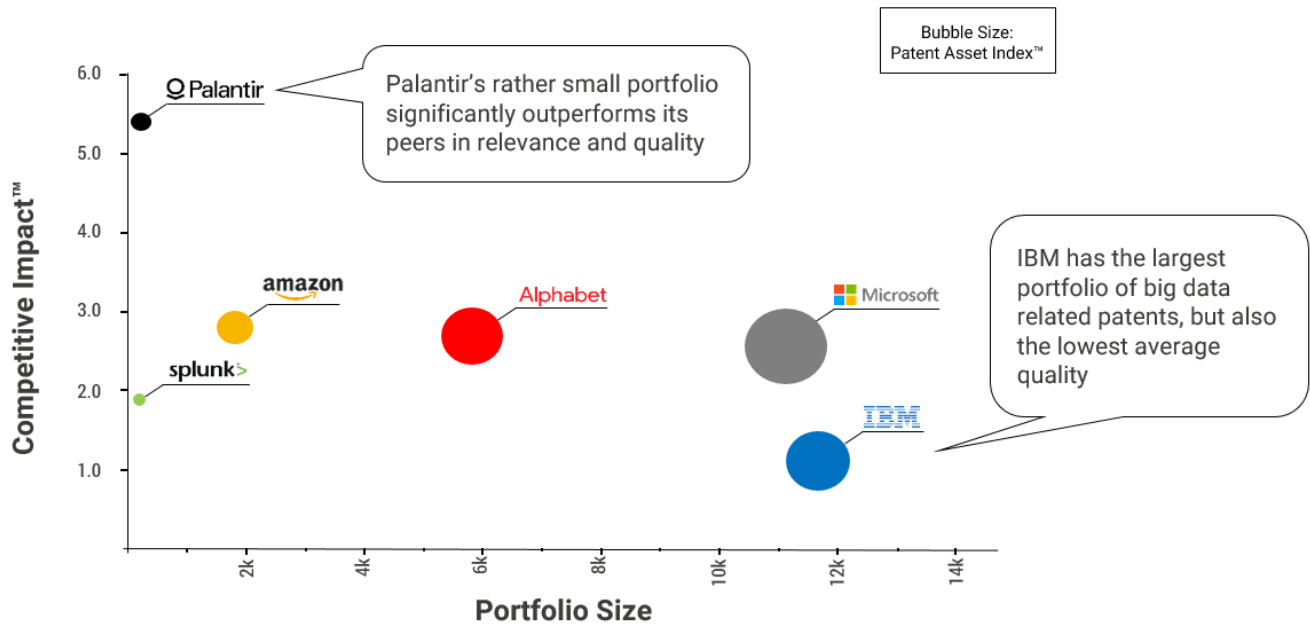
Although Palantir is infamous for its secrecy, light can nevertheless be shed on its overall innovative strength and position on the competitive landscape by using advanced patent analytics. Given that the firm's valuation has fluctuated wildly over the years, such insight offers investors a rare glimpse of the bigger picture.

## **How Palantir stacks up against competitors**

Using PatentSight's Competitive Impact™ - the measure of average patent strength - a detailed examination of Palantir's patent position can be drawn up to demonstrate its unique position in the market. In a broad comparison with other leading companies operating in the same space – based on number of patents held and the relevance and average quality of those patents – it is apparent that in spite of its relatively small size, Palantir's patent portfolio is highly influential .

The start-up's position on this chart in relation to its competitors indicates that it is likely to be a major disruptor with the potential to alter the course of the entire data analytics industry. Companies such as Tesla and Dyson occupied similar positions before proving to be significant disruptors in their respective industries.

### Palantir's patent portfolio for big data analytics is highly relevant

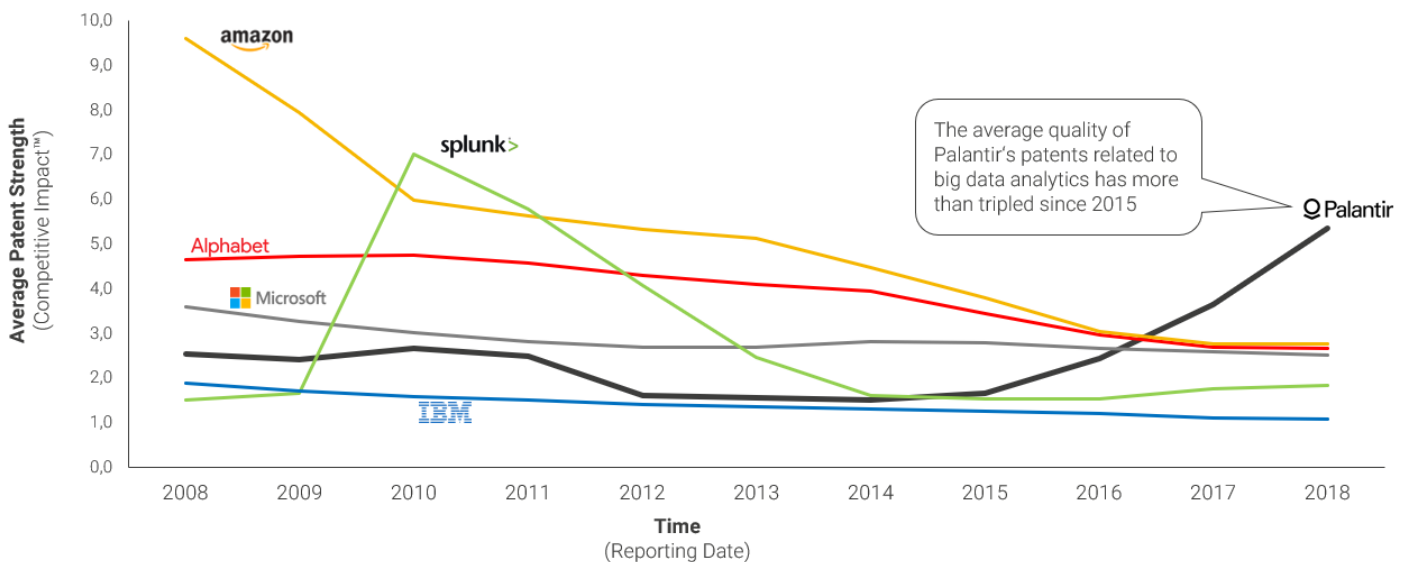


Analysis based on 30,385 patent families related to Big Data Analytics (as of Nov '18)

Source: LexisNexis PatentSight

The data can also be used to show how innovative strength has transformed over time. Upon inspection of Palantir's journey over the last decade, it can be seen that the company has managed to increase the average quality of its assets – a rare and notable feat.

### The increase of Palantir's innovative strength



Analysis based on 30,385 patent families related to Big Data Analytics (as of Nov '18)

Source: LexisNexis PatentSight

### Predicting emerging areas of interest

Patent analytics can additionally illustrate how a company has grown by technology type. Palantir’s portfolio in 2008 was heavily focused on managing large data sets and automatic analysis. By 2015, however, it became visible that the company’s attention had begun to shift primarily to user interaction, reflecting its mission statement to build platforms that enable human-driven, machine-assisted analysis.

In particular, the focus has been on developing natural user interfaces that allow its information to be accessible to a wider audience, and advanced patent analytics make Palantir’s growing success in this field apparent. To further underscore this, the data reveals that Apple – famous for its ground-breaking and intuitive interfaces and the benchmark for usable products – already in 2016 has cited a patent belonging to Palantir. This is a significant indicator of both the patent’s value and Palantir’s promise in this technology field.

### Apple citing Palantir in 2016



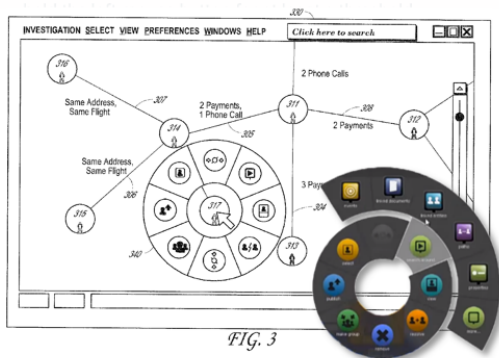
US2015046876 - 2015  
Long click display of a context menu

Citation [Search Report]

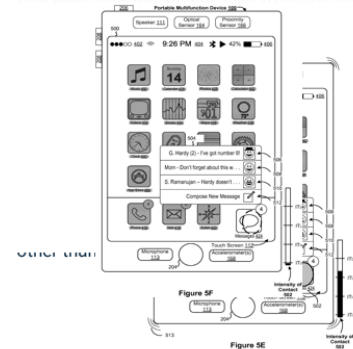


WO2016US21400 - 2016  
Devices, methods, and graphical user interfaces for manipulating user interface objects with visual and/or haptic feedback

**Abstract:**  
In cases where the right mouse click operation to access a context menu is disabled, the techniques described in the disclosure may provide access to the context menu through a long click of the left mouse button. For example, the user may click and



**Abstract:**  
An electronic device with a touch-sensitive surface, a display, and one or more sensors to detect intensity of contacts: displays a plurality of user interface objects in a first user interface; detects a contact while a focus selector is at a location of a first user interface object and, while the focus

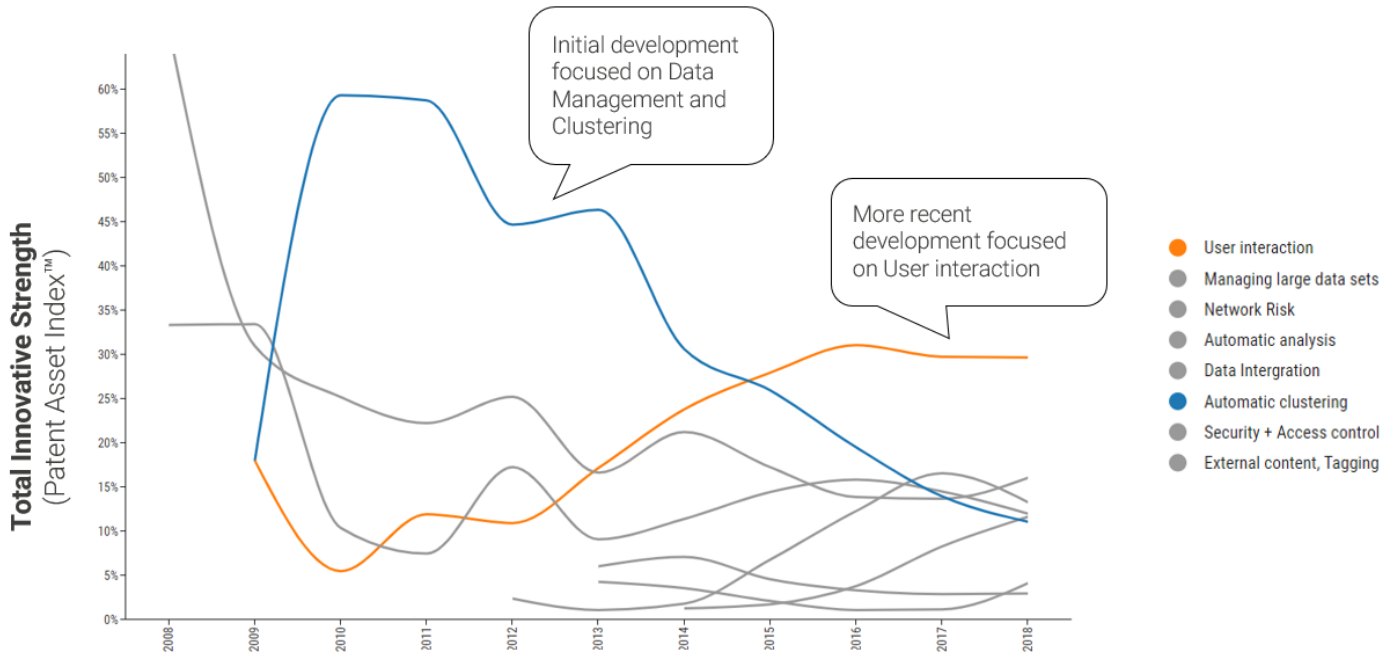


Source: LexisNexis PatentSight

Utilizing advanced patent analytics for such purposes can explain how the technologies that drive the company are changing – but it can also be used to anticipate future focal points.

For example, analyzing Palantir’s technologies by patent portfolio strength reveals that new fields of interest have slowly but surely been emerging, including in technologies related to data integration, network risk, and security and access control.

**Break down of Palantir’s technological focus**



Source: LexisNexis PatentSight

**Finding and making the most of patent data**

While traditional methods of patent analysis may fail to yield meaningful discoveries, advanced analytic tools can prove to be invaluable for investors. The findings from these sophisticated analytics can point to who the leading players in a particular industry are, when competitors began investing in specific technologies, licensing and M&A opportunities and threats, and more.

It can help to justify investment decisions by providing greater clarity on the state of the competitive landscape, in addition to revealing hidden intelligence.

**Conclusion**

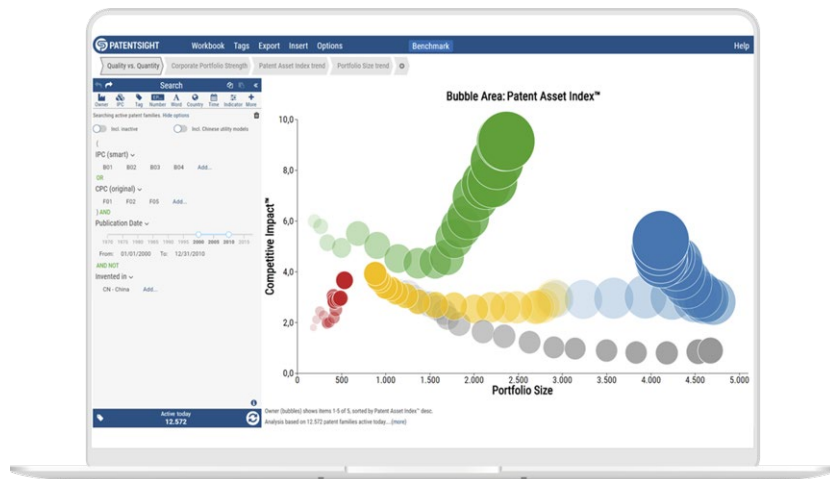
Patent analysis is more important today than ever before, especially given the ever-growing interconnectedness of technology. Previously unrelated industries have begun to overlap and traditional boundaries have started to blur, making it even more vital to keep an eye on how companies are getting involved in non-traditional spaces for their particular industry.

With advanced patent analytics it becomes possible to keep track of rapid industry developments, as vast quantities of data can be manipulated and filtered into a format that reveals clear trends and data outliers. Most significantly, these analytics are used not only for past performance indicators but also for predictors of future developments.

## LexisNexis® PatentSight®

PatentSight launched its first Business Intelligence Software in 2012. Since 2018 PatentSight is part of LexisNexis IP. Its platform provides unique, reliable and relevant insights into the patent landscape for decision makers and patent experts in the fields of

- Competitive Intelligence & Benchmarking
- R&D Strategy
- Disruptive Technology Scouting
- M&A and Due Diligence
- Licensing & Monetization
- Portfolio Optimization



## Patent Asset Index™

PatentSight is known for its development of the Patent Asset Index, a proven approach to assess patent quality and to benchmark patent portfolios. The Patent Asset Index is recognized by technology leaders to provide an accurate view of the strength, quality, and value of patent portfolios to reveal the impact and efficiency of an enterprise's investment in innovation.

Analyses delivered by PatentSight are regularly reported to top executives of leading companies. Benchmarks are often featured in the shareholder annual reports of some of the world's largest corporations. Excellent data quality is the foundation of any analysis and highest priority.

## Intelligence to Drive Progress

Find the Unexpected with Advanced Patent Analytics

To Learn More Visit Us at  
[PatentSight.com](https://www.patentsight.com)