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Erich Spangenberg is back in the patent monetization business — and intrigued by the UPC opportunity

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Context: The Unified Patent Court (UPC) has become a major patent litigation forum ([November 5, 2024 ip fray article](#)), and for preliminary injunctions (PIs) it is already the leading one ([December 3, 2024 ip fray article](#)). The UPC is one of the two highest-priority topics for **ip fray**, also with a view to the upcoming premium

subscription service ([November 10, 2024 ip fray article](#)).

What's new: Legendary patent monetizer Erich Spangenberg, once dubbed America's "most notorious patent troll" by the New York Times ([July 13, 2013 NYT article](#)), is back in the business he shaped to the extent that some even attribute the enactment of the America Invents Act (AIA) in no small part to the industrial scale of his activities. And this time around, he appears to prioritize the UPC over U.S. courts. **ip fray** has been able to confirm that Mr. Spangenberg, whose new company SIM (Sauvegarder Investment Management) is based in the U.S. while he lives in Paris, is funding and possibly has ownership stakes in entities that have brought several UPC cases, among them two lawsuits by Spain's Ona Patents against Apple and Google ([April 24, 2024 ip fray article](#)).

Direct impact & wider ramifications: Mr. Spangenberg has generally been at the forefront of certain trends in IP finance, including that he placed bets against pharmaceutical patents. Unlike the U.S., the UPC is a "loser pays" jurisdiction and injunctions are a remedy of right, which requires different strategies and a focus on quality patents more than anything else.

When **ip fray** reported on the Ona Patents cases (in the UPC as well as German national courts) earlier this year, we did not know that Mr. Spangenberg was involved. After the report, however, a member of the IP law community pointed us to the fact that the CEO of Ona Patents was also an executive at IPwe, a company founded by Mr. Spangenberg. IPwe was a blockchain-powered trading platform supported by IBM ([IBM case study](#)). That past connection was a first clue of Mr. Spangenberg potentially investing in UPC litigation, and the fact that he chose to live in Europe, apart from other factors that attract people to Paris, made it even more likely that he was taking a strong interest in the UPC.

In the summer, U.S. patent attorney Eli Mazour interviewed Mr. Spangenberg (a U.S. lawyer, though he did not practice IP) on his Clause 8 podcast ([July 9, 2024 Clause 8 episode](#)) a few months after **ip fray**'s founder had been invited, too. The next month, Mr. Spangenberg rang the NASDAQ closing bell after taking a healthcare company

public ([August 19, 2024 NASDAQ report](#)).

According to the [SIM corporate website](#), his new company's strategic business areas include:

- IP Licensing: licensing and monetization outside of litigation.
- IP Litigation Investment: financing IP litigation with direct involvement from SIM principals in all key decisions.
- IP Finance: structured investments where the realizable value of the target's IP is a significant factor in the investment decision.
- IP Royalty Acquisition

We are also active, as an intermediary, in litigation finance, patent transactions and licensing ([ip fray's IP Dealmaking Opportunities page](#)), and obviously welcome new entrants or, in this case, re-entrants to whom we can potentially introduce our clients.

SIM's corporate website [presents a five-member management team](#), but additional executives and employees are discoverable through LinkedIn searches. If the past is any indication, Mr. Spangenberg has the capacity to raise billions of dollars in a short period of time.

Last week, SIM IP [announced on LinkedIn](#) the acquisition of 5G patents from an unnamed South Korean university. We are still in the process of trying to find out more about that portfolio. It may take time for the related assignments to surface in public records.

Mr. Spangenberg has been described by others in the industry as someone who thinks, talks and acts fast; “doesn't leave money on the table”; and speaks his mind. At a time when the patent law and policy community was active on Twitter (now called X), Mr. Spangenberg was not shy to defend his business model on that platform, too. No outrageous conduct by him is known. It appears that what primarily made him controversial is the fact that he entered into approximately 1,000

transactions. In any event, the fact that he later partnered with IBM (arguably the most conservative company in the history of the technology industry) and hedge fund manager Kyle Bass ([Wikipedia page](#)) suggests that everything he did was legit. As does the fact that he got to ring the NASDAQ closing bell.

ip fray will keep an eye on SIM IP's transactions, license deals (to the extent they are publicly known) and enforcement actions (in the UPC and elsewhere). If you know of other patent monetizers who strongly believe in the UPC as a major enforcement forum, please reach out.

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