



ACACIA RESEARCH



ACACIA RESEARCH (NASDAQ:ACTG)

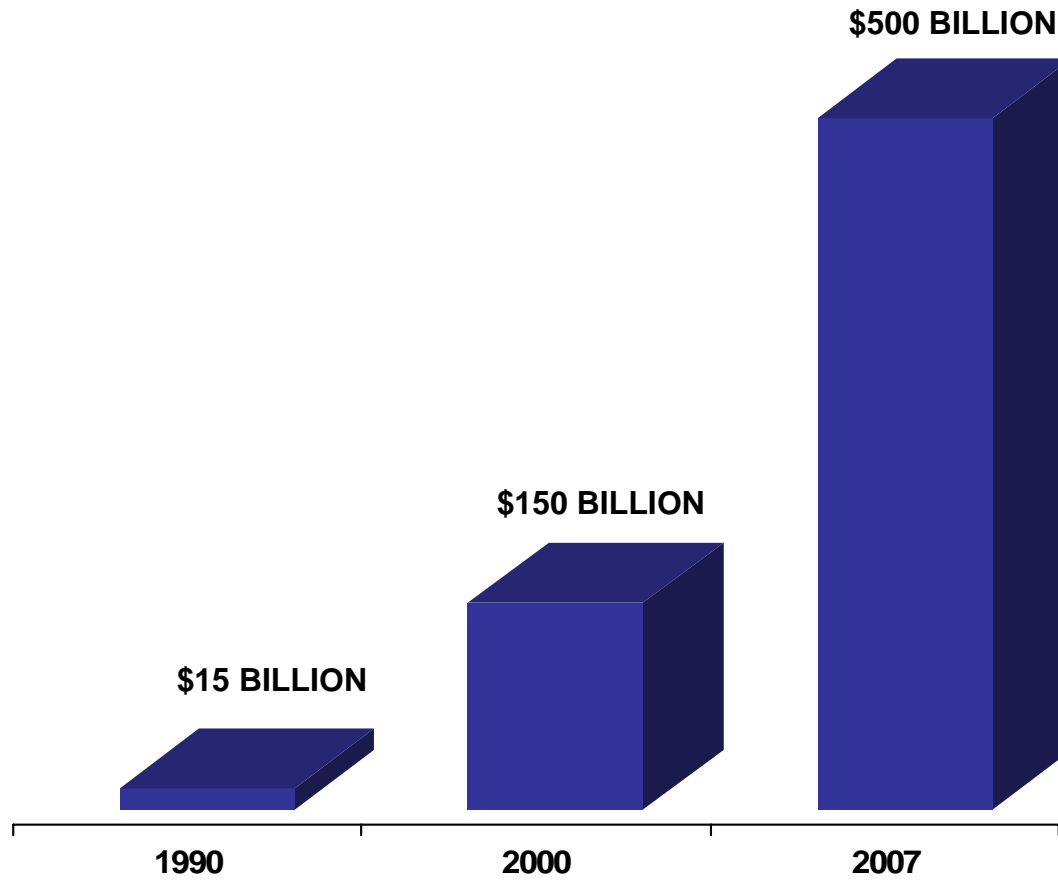
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OVERVIEW

- ❖ Leader in Patent Licensing
- ❖ Serving Large Growing Market
- ❖ Over 100 Patented Technologies
- ❖ Earnings Leverage - Fixed Cost
- ❖ \$54 Million in Cash & Investments – No Debt

PATENT LICENSING

GROWTH IN U.S. LICENSING REVENUE



Patent Licensing

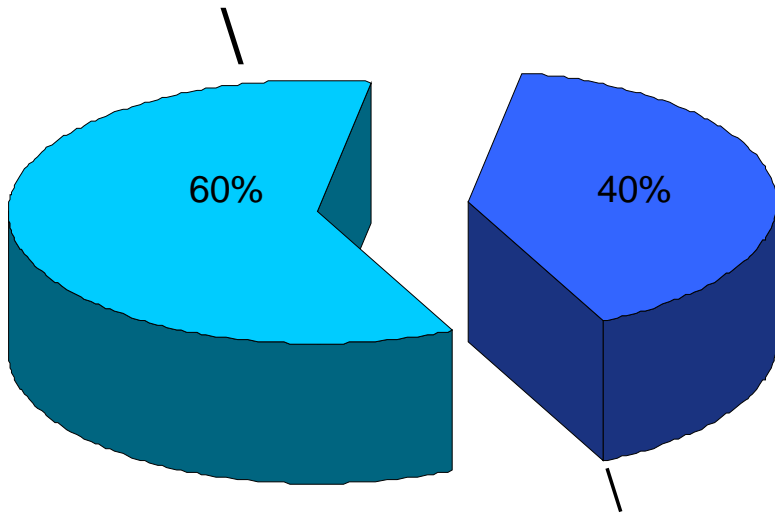
Technology licensing revenues are expected to grow to \$500 billion a year by 2007.*

- ❖ Qualcomm Generated \$4 Billion In 2008 Licensing its CDMA Patents...89% Margins.
- ❖ IBM Generate \$1.5 to \$2 Billion Per Year in Licensing
- ❖ Philips Electronics Generates \$570 Million Per Year in Licensing... 100% of Earnings for Consumer Electronics Business.
- ❖ Thomson Generates \$390 Million Per Year in Licensing...75% of Total Earnings.

***Source: Deloitte & Touche**

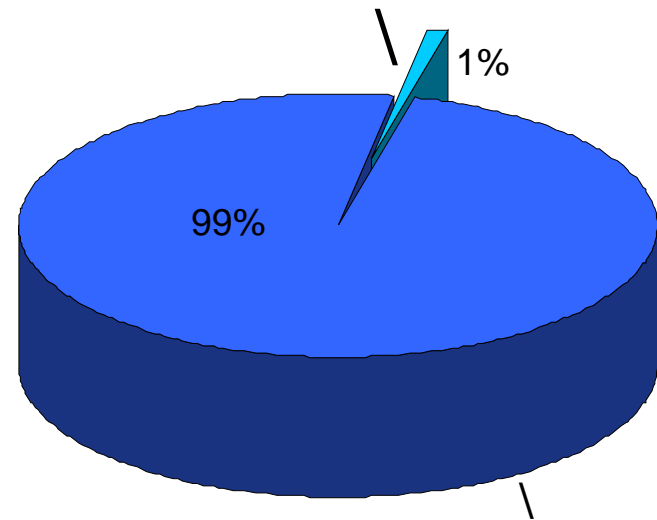
Patent & Revenue Distribution

60% of patents are owned by small companies and individual inventors, universities and research labs.



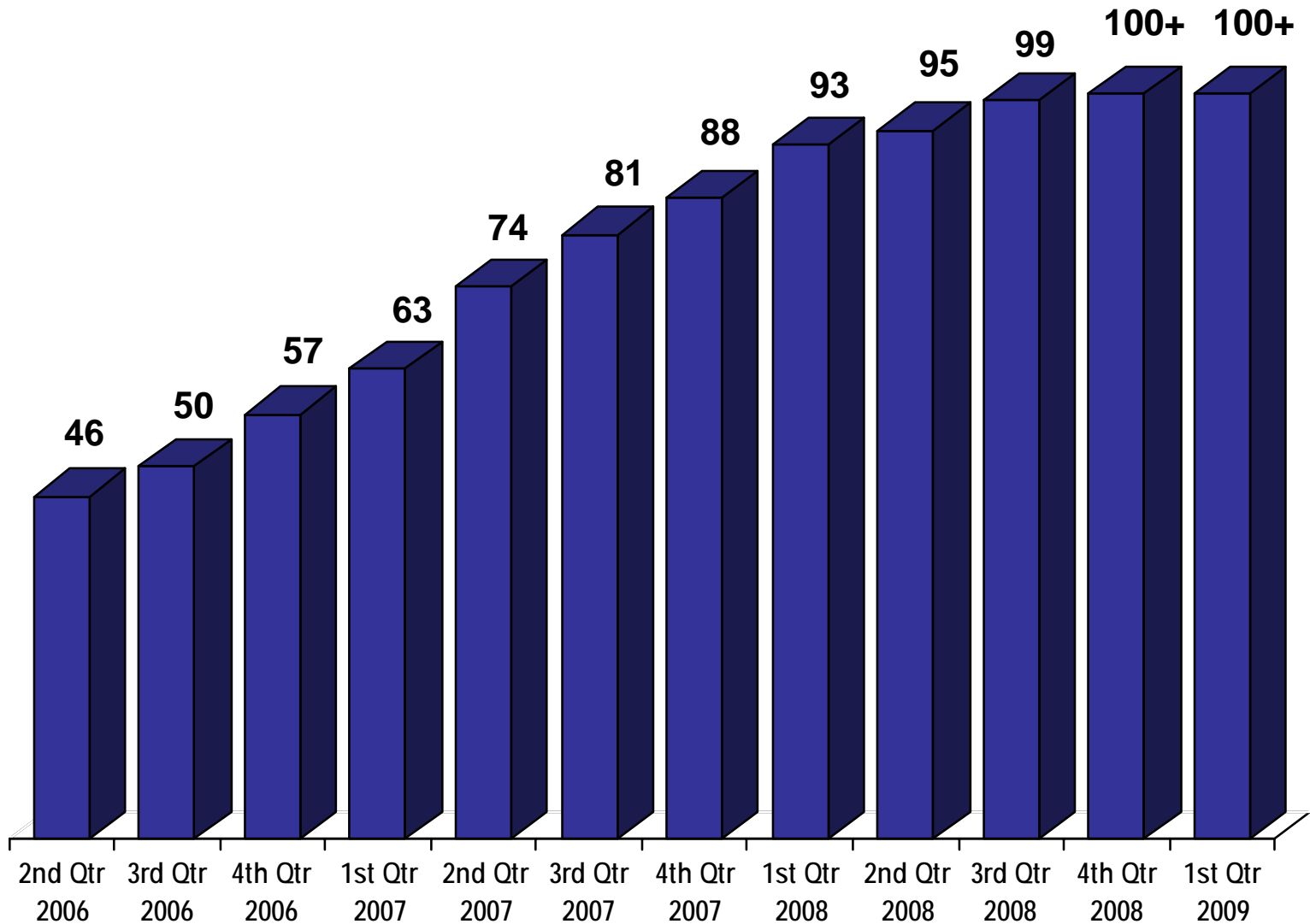
40% of patents are owned by large corporations.

1% of revenues are received by small companies, individual inventors, universities and research labs.

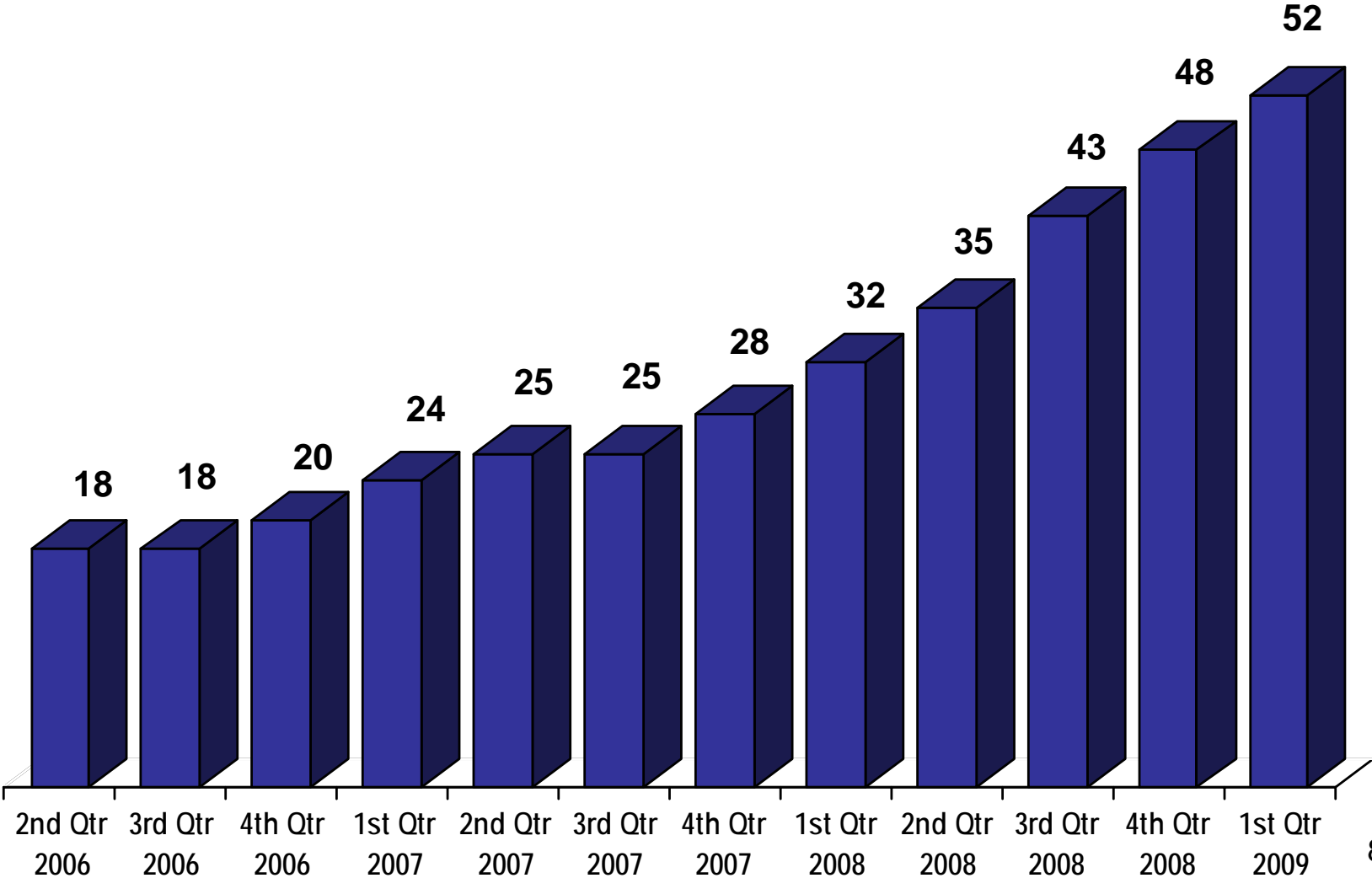


99% of revenues are received by large corporations.

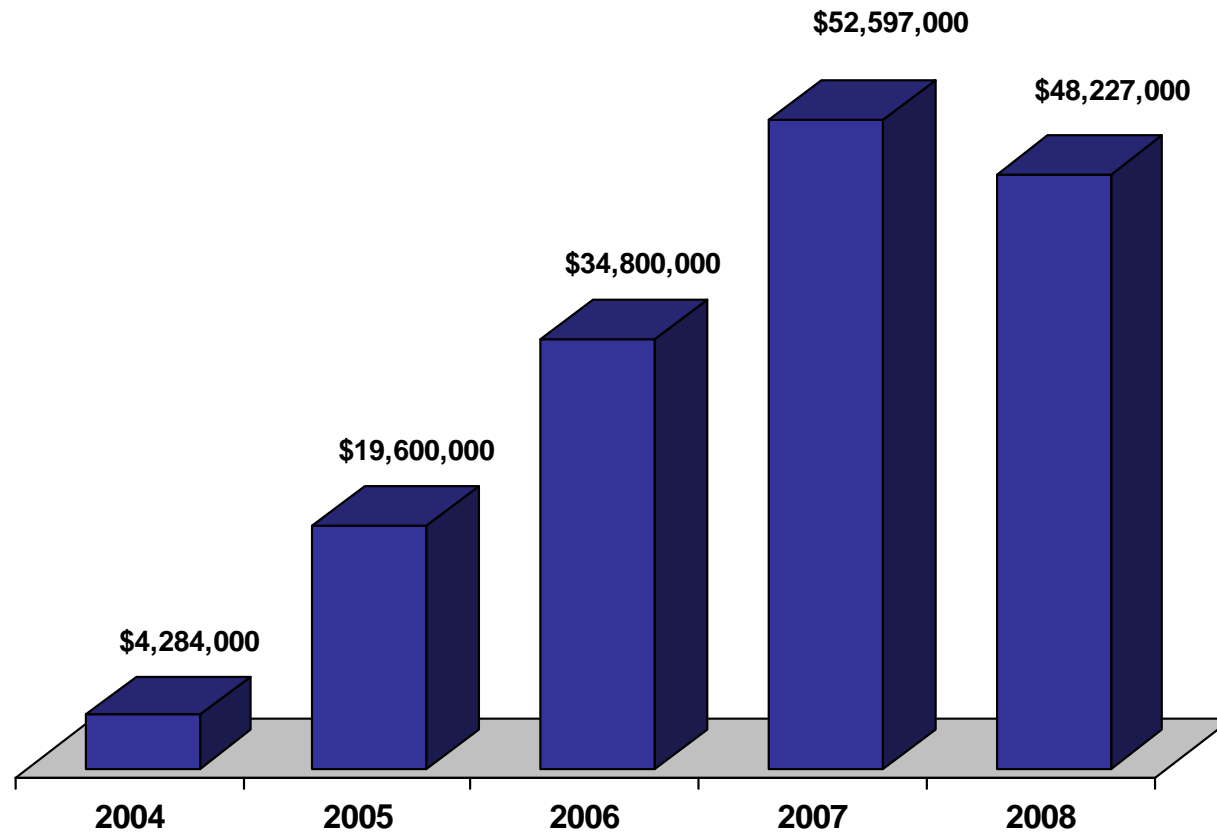
QUARTERLY GROWTH IN PATENT PORTFOLIOS



QUARTERLY GROWTH IN REVENUE PRODUCING LICENSING PROGRAMS



ANNUAL REVENUES



Representative Licensees

DIGITAL MEDIA TRANSMISSION

Bloomberg
108 Cable TV Companies
CinemaNow
LodgeNet
OnCommand
The Walt Disney Company
Tribune
Wendy's
WWE
Xerox

USER ACTIVATED INTERNET ADVERTISING

Cendant
Orbitz
Priceline.com
Travelocity

IMAGE RESOLUTION ENHANCEMENT

Canon
Xerox/PARC
Snell & Wilcox
Samsung
Epson
Thomson
LG Electronics
Sharp
Hewlett Packard

CREDIT CARD FRAUD PROTECTION

Albertsons	Radio Shack
Exxon	7-Eleven
GAP	Target
J.C. Penney	CVS Pharmacy
Office Depot	Walgreen's

AUDIO/VIDEO ENHANCEMENT & SYNCHRONIZATION

Hitachi	Mitsubishi
Funai	Toshiba
Samsung	Pioneer
Sanyo	Fujitsu
Sony	Philips

RESOURCE SCHEDULING

3M	GE
Cerner	McKesson
Rockwell	Siemens

LAPTOP CONNECTIVITY

Sony	IBM
Fujitsu	

MULTI-DIMENSIONAL BAR CODES

Adidas	Boston Scientific
AMD	Hitachi
Nokia	Intel
Allstate	ADP
Dell	Texas Instruments

COMPACT DISK TECHNOLOGY

Funai

INTERACTIVE TELEVISION

Matsushita
Samsung
Sony
Thomson

New Licensing Programs

❖ CELL PHONE LOCATION BASED SERVICES

- Wireless Emergency (E911) Phase II Service, Handset Based Navigation

❖ CELL PHONE OVER AIR PROGRAMMING

- Updating cellular phones using a common messaging protocol such as SMS

❖ COMPILER TECHNOLOGY

- Software object pre-compilation & linking in software compilers

❖ DATABASE ACCESS

- Facilitates inter-operation between databases & applications.

❖ ECOMMERCE PRICING

- Internet auctions/competitive transactions

❖ ENCRYPTED MEDIA & PLAYBACK DEVICES

- Copy protection in Blu-Ray Players, High Definition Discs, Game Consoles, PC's with High Definition Drives.

New Licensing Programs (cont'd)

❖ FLASH MEMORY

- 16 patents covering technologies for enhancing performance & reliability of the flash memory cell including NOR flash memory extensively used in cell phones.

❖ HEATED SURGICAL BLADES

- Surgical instruments heated to reduce bleeding when tissue is cut. Commonly known as the “Shaw Blade”.

❖ MEDICAL IMAGE STABILIZATION

- Stabilizing medical images for interventional procedures such as cardiac catheters and stents and diagnostic procedures such as visualization of arterial lesions.

❖ MEDICAL PICTURE ARCHIVING & COMMUNICATION SYSTEMS (PACS)

- Progressive downloading technology used in medical systems which enable multiple, remote users to simultaneously access image data. Used by hospitals to store, archive and transmit patient image data.
- Siemens Licensed

New Licensing Programs (cont'd)

❖ MICROPROCESSOR ENHANCEMENT

- Advanced microprocessor architecture for conditioned execution of instructions yielding significant improvements in microprocessor speed.

❖ MULTI-DIMENSIONAL DATABASE COMPRESSION

- Enables compressed information to be accessible in real time and generates cost savings in enterprise storage.

❖ ONLINE AD TRACKING

- Tracking click through rates of website advertising.

❖ ONLINE AUCTION GUARANTEES

- Technology for securing the performance of online auction participants such as using guarantees and providing corresponding visual indication of guaranteed auctions.

❖ PEER TO PEER COMMUNICATION

- Network communication between devices to share content including music & photos.

❖ PROJECTOR TECHNOLOGY

- Optics for image projection in business/home theaters and rear projection TV's

New Licensing Programs (cont'd)

❖ REMOTE MANAGEMENT OF IMAGING DEVICES

- Copiers, Printers, Faxes
- 7 licenses including Matsushita & Toshiba

❖ RULE BASED MONITORING

- Technology to monitor hardware & software systems including network nodes, servers, databases and applications.
- 8 licenses including BMC, CA & SAS

❖ STORAGE TECHNOLOGY

- Storage device data transfer, fault tolerance, caching, data integrity and error correction.

❖ SURGICAL CATHETERS

- Surgical devices used in procedures such as percutaneously insertable catheters and cannulas used to access the circulatory system.

❖ TELEMATICS

- Wireless GPS tracking/mobile maps
- 7 licenses including @Road & UPS

CORPORATE MANAGEMENT

Paul R. Ryan – Chairman and CEO

- ❖ CEO of Acacia Research since 1997
- ❖ Cornell University

Robert “Chip” Harris II – President

- ❖ President – Entertainment Properties Trust (NYSE:EPR)
- ❖ Senior VP – AMC Entertainment
- ❖ University of Southern California

Clayton J. Haynes – Chief Financial Officer & Sr. V.P.

- ❖ Manager – PricewaterhouseCoopers LLP
- ❖ University of California at Los Angeles

Dooyong Lee – Executive Vice President

- ❖ Chief Operating Officer – Global Patent Holdings/TechSearch
- ❖ President – LPS Group (NYSE:TOC)
- ❖ Co-Founder – FRI (Fish & Richardson)
- ❖ Licensing Executive – AT&T Bell Laboratories/Lucent Technologies
- ❖ Oberlin College and University of California at Berkeley

CORPORATE MANAGEMENT

Marvin Key – Sr. Vice President

- ❖ Thomas Weisel Partners
- ❖ Salomon Brothers
- ❖ Lehman Brothers
- ❖ Clemson University & Southern Methodist University Cox School of Business

Robert Stewart – Sr. Vice President Corporate Finance

- ❖ President – Macallan, Dunhill & Associates
- ❖ University of Colorado/Boulder

BUSINESS DEVELOPMENT & LICENSING

Erik Ahroon – Senior Manager

- ❖ President – Cadis Design Group
- ❖ Program Manager – Argo-Tech Carter Cryogenics
- ❖ Project Engineer – Quantum Technologies
- ❖ Product Development Engineer – Star Trac Fitness
- ❖ University of California, Santa Barbara & University of California, Irvine

Brad Botsch– Vice President

- ❖ Vice President & Chief Intellectual Property Officer - ON Semiconductor
- ❖ Associate General Counsel - Advanced Micro Devices (AMD)
- ❖ Division Patent Attorney - Motorola
- ❖ Purdue University & Arizona State University

Karlton Butts – Vice President

- ❖ Loeb & Loeb
- ❖ Riordan & McKinzie
- ❖ Finnegan, Henderson, Farabon, Garrett & Dunner
- ❖ George Washington University Law School

BUSINESS DEVELOPMENT & LICENSING

Jon Eastman – Vice President

- ❖ Director – Strategic Business Planning – Pioneer North America
- ❖ Product Manager & Systems Engineer – DirecTV
- ❖ University of California, Irvine & University of Southern California

Marc Frechette – Vice President

- ❖ Patent Attorney – Crockett & Crockett, P.C.
- ❖ Intellectual Property Attorney – Pioneer Electronics
- ❖ Intellectual Property Engineer – Conexant Systems, Inc.
- ❖ Engineering Manager – Aerochem, Inc.
- ❖ Manufacturing Engineering – The Boeing Company
- ❖ Boston University & Whittier Law School

Joseph Granara – Senior Contracts Manager

- ❖ Manager – Broadcom
- ❖ Manager – Conexant Systems, Inc.
- ❖ Manager – Rockwell International Corporation
- ❖ California State University, Northridge & University of LaVerne

BUSINESS DEVELOPMENT & LICENSING

Peter Kim – Senior Manager

- ❖ Founder/President – Bay Ridge Partners Search Fund
- ❖ Associate – IPVALUE Management
- ❖ Inventor/Head of Financial Services – Walker Digital Corporation
- ❖ New York University’s Stern School of Business

Tisha Stender – Vice President

- ❖ Managing Attorney – Alea Global Law
- ❖ David International Trading Company
- ❖ Pillsbury Winthrop
- ❖ Loyola University Chicago Law School

BUSINESS DEVELOPMENT & LICENSING

Jonathan Taub – Vice President

- ❖ Microsoft – Director, Strategic Alliances, Mobile & Embedded Devices
- Business Development Manager, Security Business Unit
- ❖ Nortel Networks – Director, Business Development
- ❖ Covington & Burling – Associate, Intellectual Property & Corporate Law
- ❖ Wharton School of Business & Harvard Law School

Edward Treska – Vice President

- ❖ SRS Labs, Inc. – General Counsel, Director of Patents and Licensing
- ❖ Knobbe, Martens, Olson & Bear
- ❖ TRW Space & Technology Group
- ❖ Colorado State University and University of San Diego School of Law

James Trueman – Vice President

- ❖ Managing Partner – M1 Partners
- ❖ Engagement Manager – McKinsey & Company
- ❖ Product/Business Development Manager – Oracle Corporation
- ❖ Senior Product Manager – Integrated Decision Systems
- ❖ CEO – Computer Solutions
- ❖ University of California, Berkeley & The Wharton School

BUSINESS DEVELOPMENT & LICENSING

Matthew Vella – Sr. Vice President

- ❖ ATI Research, Inc. – Senior Intellectual Property Counsel
- ❖ Nortel Networks, Inc. – Lead Patent License Counsel
- ❖ Nortel Networks Corporation – Counsel
- ❖ Carleton University & University of Toronto Law School

David White – Sr. Vice President

- ❖ President – Intellectual Property Holdings, Inc.
- ❖ Vice President – Discovision Associates (Pioneer Electronics patent licensing subsidiary)
- ❖ Michigan State & Detroit College of Law

Steve Wong – Vice President

- ❖ Managing Patent Attorney – Pioneer North America, Inc.
- ❖ Associate Patent Attorney – Chan Law Group, LLC
- ❖ Deputy District Attorney – Stanislaus County District Attorney's Office
- ❖ Systems Engineer – Intermetrics, Inc.
- ❖ Systems Engineer – General Dynamics/Space Systems Division
- ❖ Systems Engineer – Western Space and Missile Center, Department of Defense
- ❖ University of Arizona & Thomas Jefferson School of Law

ENGINEERING

Fahim Aftab – Principal Engineer

- ❖ Senior Engineer – Semiconductor Insights
- ❖ University of Engineering & Technology & University of Michigan, Ann Arbor

Jeffrey Anderson – Vice President

- ❖ Director of Software – Websense
- ❖ Director of Software Development – Sun Microsystems
- ❖ Manager of Software Development – Cray Research

Marc Booth – Vice President

- ❖ Director of Engineering - Nicholas Laboratories
- ❖ V.P. Engineering - In The Air Net
- ❖ Sr. Director - Powerwave Technologies
- ❖ V.P. Engineering - Comarco Wireless Technologies
- ❖ V.P. Engineering - Sony Corporation
- ❖ University of California Riverside & University of Southern California

Robert DePirro – Vice President

- ❖ Sr. V.P. Media Technology – Intertainer
- ❖ Sr. Systems Engineer – Vanstar

ENGINEERING

Phillip Mitchell – Vice President

- ❖ North American Marketing Manager - Polytec
- ❖ Manager, Technology Development - Newport Corporation
- ❖ Engineering/Business Manager - JMAR Technologies
- ❖ Technical & Product Marketing Manager - Melles Griot
- ❖ Senior Member Technical Staff - Hughes Research Laboratories
- ❖ Carnegie-Mellon University

Amy Pearson – Director

- ❖ Patent Attorney - Actown Electrocoil
- ❖ Mechanical Engineer - Engineering Animation/EDS
- ❖ Mechanical Engineering Intern – Motorola, Inc.
- ❖ Iowa State University & John Marshall Law School

Charles Raasch – Vice President

- ❖ Senior Director – Quartics, Inc.
- ❖ Division Director – Conexant Systems, Inc.
- ❖ Division Director – Conexant Systems, Inc. (Rockwell Semiconductor)
- ❖ Manager – Rockwell Semiconductor
- ❖ Director – AST Research, Inc.
- ❖ Principal Engineer – TnT Research
- ❖ Engineer – Ford Aerospace
- ❖ California State University, Fullerton