

**Biocetical Innovations Community**

# **How to Turn your Patent Rights into Dynamic Self-Funding Securities: The Innovative Art of Converting Scientific Assets into Monetary Value**

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# HOW TO CONVERT DORMANT SCIENTIFIC ASSETS INTO SELF-FUNDING SECURITIES

By Erdal Can Alkoclar ;

**One of the major problems inventors from all fields of sciences face and struggle is the obvious hardship to sustain the financing of their innovative workflow. Even for those of us which are blessed with marketing and persuasive abilities it is still a deterring challenge to continuously find investors who fully acknowledge the risky notion of providing a financial contribution to any given R&D project ; especially if its a pharmaceutical or bioceutical one.**

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Please allow me to share my story regarding such quest and how exceptionally well we managed to achieve a patent based self-funding model.

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**We were a medium sized R&D group that produced 300+ patented bioceutical formulations and methods of synthesis & obtainment for synthetic and herb extracted compounds respectively. As many other non-commercial R&D group our sole income was the partial share sales and issued exclusive licenses. It was quite a**

**challenge for a research team of 46 to simultenaously self-sustain their monthly expenses and also fund their research. The main problem was that our investors were not scientists but rather merchants who generally perceive the potential lucrativeness of our patented projects and the concept of their investments' financial return in a similar manner to real estate projects ; contrary to ours which are either incomparably and aggresively profitable or extremely taxing financial-wise. ( In spite of unique and vast brain potential of my country ; pharmaceutical and bioceutical R&D projects are rather funded by our government ; they are merely a first choice of investment for above mentioned reasons: but they will be hopefully in a very near future thanks to our government' s effective encouragement regarding the domestic private sector's contribution to national R&D projects.)**

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Such natural risk generally caused problems in both conditions where our investors earned more than they initially self-projected or less ; causing debates and lawful conflicts which are quite dismotivating and unfortunate for both sides.

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**Desperately looking for solutions we came to learn that the highest Valuation Authority was National Trade Courts to determine the value of**

**Nationally Approved Patents and Patent Applications. We have chosen 6 of our patent applications and formally requested a valuation for them from 7th Trade Court of Bakirkoy. After 10 months of Technical Sufficiency Investigations Non-Disclosure Agreements with the Appraisers and countless other Occurrings 86 million Turkish Liras of Value were Approved and it changed everything for us. We were suddenly able to self-finance and even serve as a collateral providing company for those who require such aid in order to finance their projects.**

- Nowadays despite the current economical struggle ; thanks to our 6750 No. Securities Collateralization Act all non real estate in-kind assets like patents , mining licenses , energy project registrations and many other values that were not recognized as banking collaterals are now state approved for such usability.

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**We were the first to use a patent application ; not even an approved patent but an application as a bank collateral and have a credibility line in Turkey and it was before that wonderful law our state passed. With hundreds of our patents in our portfolio we have acquired a value projection of roughly 20 billion Turkish liras ( 6 valued patents were taken basis for such projection; as they were composed of an anti-carcinogenic , an anti-inflammatory , an anti-depressant , an pro-**

## **somathropic , a hypothermic and a Pro-dopaminergic formulation patent ).**

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- Next came the usage of them as Public Debt and Commercial Debt Collaterals and finally introduced them to Istanbul Stock Exchange. ( We have attorned the patents to a bioceutical R&D company from our group and after our Market Regulatory Council approved the company valuation we have conditionally sold the firm to a listed company thus entering the exchange. It didn't go as well as expected due to our poor choice of partners and inexperience regarding stock market operations but main objective was having national drug patents approved and introduced to our national stock exchange and in that manner it is well worth it.)After years of work we managed to achieve the usability of Drug Patents are full scale financial assets and above mentioned laws & regulations followed.
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**After all these domestic achievements we were even more surprised to learn that these court valuations are valid and readily accepted in many countries and were accepted as in-kind capital injections to a given company. This made us realize how efficient and solid it would be to use any patent (not just drug patents but defence projects , engineering design trademarks etc) as basal collaterals for leverage operations performing cryptocurrencies and great assets for company and entity tokenizations. As their value is dependent upon their scientific extend rather than projectional values like discounted cash flow and their potential of lucrativeness (In a given pharmaceutical or bioceutical patent portfolio it is estimated that if 1 or 2**

**out of 40 patents were finalized as drug registrations they will possess a value much greater than the entire portfolio itself) such reasons make patents as a supreme choice to be used as firm & reliable collaterals for hyperdynamic cryptocurrency trades ; providing at least a partial protection as a collateral for an extremely risky leverage operation.**

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**We firmly believe in the near future we may see huge acquisitions performed by many cryptocurrency exchanges to provide reliable in-kind guarantees for their clients.**

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**Utmost Regards**

**Erdal Can Alkoclar**