Norton To Acquire Czech Cybersecurity Firm Avast

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In a deal reportedly worth over $8 billion, Norton is set to acquire cybersecurity company Avast.
● U.S. cybersecurity company NortonLifeLock has confirmed it is acquiring rival Avast, leading to a mega-company with more than 500 million users. However, employee numbers will reduce from 5000 to 4000.

● Founded in 1988, Avast is based in the Czech Republic and is listed on the London Stock Exchange. Specializing in privacy technology, the company has 435 million customers — predominantly consumers and small to medium-sized enterprises. The deal is expected to close by mid-2022.

● We found that 44% of Avast's patents related to electronic digital data transmission are high-value. We also identified four inventors that should be retained post-acquisition.
Coverage and Status - Global Coverage

Applications: 207  
Families: 132

Around 43% of Avast’s patent applications are pending and are mainly filed with the USPTO.

Most of its patents were filed in the U.S., and a large proportion of them are pending.

The company also has a fair amount of patent applications with CNIPA — China’s patent office.

Source: Due Diligence
Coverage and Status - Pending Patents

Avast has had a number of patent applications over the past five years. As a result, patent managers at Avast should take a look at older applications to move the applications forward.

Check the list of patent applications from each year with one click.
As of 2021, Avast has 77 active patents in the U.S., four in Europe, China, and Canada, and three patents in Australia. The company’s active patents shrink more rapidly after 2028 — driven mainly by the expiring patents in the U.S. All of its patents in the Czech Republic and Canada will expire by 2030.
In terms of the International Patent Classification (IPC,) the company has 51% of its patent families relating to electronic digital data processing (IPC G06F) and 30% of its patents relating to transmission of digital information (IPC H04L.)
Amongst the top ten inventors, the top two and those in the 8th and 9th positions were more productive in recent years. NortonLifeLock should keep them with the company after the merger.
According to the patent records in the U.S. and China, around 52.38% of its patents have been transferred. Among the 168 applications, 51 have been transferred, and 70 have been pledged to secure loans.
Patent Litigation History

According to the patent data from the USPTO, none of Avast’s patents have been litigated.
Quality and Value* Evaluation

Why Quality and Value?

Quality and Value are the two cornerstones of patent evaluation. By reflecting on a patent’s true quality and value, we can evaluate patents with an objective viewpoint instead of relying on subjective guesswork—eventually giving a fair price to patents.
Quality and Value* Definition

According to our proprietary models, each patent is ranked as per the quality and value dimensions and is categorized into one of the following six grades: AAA, AA, A, B, C, and D.

A patent with a quality score in the 97th percentile is graded as AAA.

Defined as "high-quality / high-value" patents in Patentcloud.
High-value, low-quality patents: They have good monetization potential, but the risk of invalidation is high.

According to InQuartik’s Quality and Value Rankings, Avast has a decent proportion of high-quality patents, even though most of them do not stand a good chance of being monetized.
For Avast patents under the classification “electronic digital data transmission,” the proportion of high-quality patents is 25.31%, higher than IBM (13.13%,) which owns the largest number of patents in this category.
Peer Comparison - Value Rankings

The proportion of Avast’s high-value patents in the same field is 44.30%, much higher than that of IBM (13.82%), suggesting a larger proportion of Avast’s patents have a higher chance of monetization.
Around 67.44% of its patents in the U.S. have been challenged in the prosecution or PTAB history — an indicator of patent quality issues for patent family members.

Issues of non-obviousness is the most common challenge against Avast's patents.
According to the patent citations, the potential targets for Avast include big data analytics company Palantir Technologies, cybersecurity firm Symantec, IBM, and Google.
Patents Against the Potential Targets

The companies that cite this portfolio the most are potential targets for monetization.
The ten most heavily cited families — these patent families are ideal starting points for further investigation.
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Matrix Analysis

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Source: Patent Vault
Visualize patent assets with just one click

- Instantly access and examine patent portfolio attributes to aid in decision-making.
- Discover the patents with the greatest monetization potential — and the most likely targets.
- Identify the strengths and weaknesses of a patent portfolio.
- Maximize investment opportunities and value.