

## SEQUOIA PARTNERS

### Sale of a Company

**Client: Tropian, Inc.**

**The Client:** Tropian® is a fabless semiconductor company focused on liberating the development of complex, multi-mode wireless communications from the limitations of traditional, linear radio designs. Tropian pioneered the development of full polar modulation techniques and is using this expertise to create cellular radio solutions with power efficiency advantages, performance enhancements and multi-mode capability. Tropian works with partners worldwide to achieve high performing, high yielding silicon.

**Sequoia's Challenge:** With a patent portfolio of more than 40 issued patents and over 100 patents pending, Tropian had great IP. Because of Tropian's pioneering role, the IP had a very broad reach across all Polar architectures. Recognizing the advantages of Polar, almost all of Tropian's competitors were working on Polar based implementations, however they would have to accept significant disadvantages in order to avoid any infringement. In spite of Tropian's breakthroughs in making a full polar modulation solution work efficiently, switching to their architecture was problematic for most firms. Some knew the theory of full Polar Modulation, but doubted its practical implementability. Others simply exhibited NIH. In a world-wide search we identified a number of interested parties.

**Results:** Negotiations started slowly reflecting a valuation of the IP portfolio only, rather than products in "second silicon" ready to come to market. We nevertheless steadfastly refused "low-ball" offers with management's concurrence and encouragement. After multiple intense negotiations, we finally agreed on a price for the assets of over 3 times the initial "fair" offer. The buyer, Panasonic, knew the value of the Polar technology through its partnership with Tropian and stepped up to a good deal for all parties concerned.

*"After interviewing a half-dozen competitors both large and small, I selected boutique i-bank Sequoia Partners. They came highly recommended by Greylock Venture Partners', Dave Strohm. Sequoia Partners exceeded the high expectations we had. I will call upon them again"*

Tim Unger  
CEO  
Tropian Inc.