



## Trade smarter, not harder: SFOX's advanced crypto trading platform

### Challenge:

SFOX had been unable to build an IP portfolio despite their significant investment in intellectual property protection with an existing law firm.

### Outcome:

Cognition IP demonstrated its patent expertise by reviewing a patent application prepared by SFOX's existing law firm. Cognition IP developed a new strategy and, after SFOX transferred the application, Cognition IP successfully argued with the patent office to have the patent granted. The timeliness and cost significantly improved over the previous firm. Now, Cognition IP is SFOX's preferred IP partner.

### Introduction

San Francisco Open Exchange (SFOX) is a cryptocurrency prime dealer. The trading platform is leveraged by professional traders and institutional investors worldwide. The platform was built specifically for advanced traders, offering large returns for high-volume crypto trades. SFOX differs from other cryptocurrency dealers in that it enables trading from a single account, with an integrated order book, and comprehensive trade algorithms configured and refined to meet top trading objectives. The Series A funded startup has managed over \$11 billion in transactions since its inception in 2014.

David Gutierrez is General Counsel & Chief Compliance Officer at SFOX. Before joining the SFOX team, David was part of the legal team at Capital Group Companies for over ten years, focusing primarily on private equity matters. Says David, *"I was excited to join the SFOX team because it provided me an opportunity to join an innovative company in a completely new field while expanding the areas of law I would be exposed to."* At SFOX, David wears many hats, overseeing all commercial

and regulatory matters for the company. These responsibilities also include intellectual property protection and patent work.

Soon David found himself immersed in discussions around IP. David explains, *"We certainly are, at our core, a technology company. The technology advantages gained from innovation in the space are important for us to protect with IP."* In 2014, SFOX began working with a large law firm to file its initial patent applications.

### It takes a technology company to understand a technology company

After the initial patent applications were filed, they ran into trouble at the patent office with many rejections and patent applications being unable to move forward. The large firm was not able to provide a solution to overcome the rejections at the patent office to have the patent applications granted. David started to look for other solutions that could help push the patent applications forward.

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- General Counsel and Chief  
Compliance Officer, SFOX

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SFOX was referred to Cognition IP by Y Combinator's counsel, Jon Levy. David was immediately intrigued by the experience of Cognition IP's legal team and by the company's technology-enabled efficiencies. David explains his selection and evaluation process for law firm partners: *“The expertise and ability to do the work is number one. Beyond that, everything else is really a value add. There are a lot of experts out there at big law firms that can do the work, but for me, especially on the patent side of things, it is really about the value add and the efficiencies. I look for efficiencies because they are key in keeping costs down.”* David was also impressed with Cognition IP's flat-fee pricing model. *“It's putting your money where your mouth is. If you're willing to put a cap on a particular application, as a lawyer or a law firm, that speaks volumes to your ability to be able to do things within a set parameter. And that means that you're confident that you're efficient enough that you'll still be profitable without overbilling the client. The flat-fee model is extremely attractive, and particularly in the IP space, I think it is the answer.”*

### **Cognition IP stood above the competition in SFOX's patent application review**

SFOX requested that Cognition IP review one of the patent applications that the company had filed with their existing law firm and which was facing rejections from the patent office. Cognition IP stood out by providing deep technical knowledge in the cryptocurrency space, which would be essential to overcoming the rejections and moving the application forward. *“The service level was amazing. The Cognition IP team reviewed the application, replied back to us, and there was no charge.”* The team at SFOX was impressed with the speed and attentiveness of Cognition IP's communications, as well as the thoroughness of the review and the quality of the remarks. Thus, SFOX transferred the patent application in progress over to Cognition IP. The Cognition IP team developed strong arguments based on a deep understanding of SFOX's technology to explain to the patent office why the technology was fundamentally different from any pre-existing tools, and the patent was approved. *“Right away, the value add was through the roof, because notwithstanding all of the money we had spent with our previous firm, we had yet to receive a patent. The Cognition IP team was able to get the application over the line and in a much more economical manner. So it was good across the board.”*

After the positive results on the first application, SFOX transferred two more of their existing patent applications over to Cognition IP and also worked with Cognition IP to draft and file six new patent applications. Their experience with these patent applications was just as good as with the first one.

David's endorsement of the Cognition IP team is unwavering, saying, *“I think that everybody we've worked with at Cognition IP has been equally talented. You have to be able to perform, and we've been very happy with our partnership.”*