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## *Patents/Settlements*

### **NTP Settles Patent Infringement Litigation With 13 Companies in 'Mutual Resolution'**

**N**TP Inc., the patent owner that received \$612.5 million from BlackBerry cell phone manufacturer Research In Motion Inc. in a 2006 settlement (71 PTCJ 489, 3/10/06), announced July 23 a "mutual resolution" with 13 other companies, including wireless carrier, phone manufacturer, and internet service provider heavyweights.

"The signed agreement provides broad coverage under NTP's patent portfolio to all of the companies," NTP said in a press release.

Ron Epstein of Epicenter IP Group LLC, Redwood City, Calif., which arranged the settlement, told BNA that the companies all agreed to the same license agreement with different payment parameters.

**The NTP v. RIM Saga.** NTP owns eight patents (5,436,960; 5,438,611; 5,479,472; 5,625,670; 5,631,946; 5,819,172; 6,067,451; and 6,317,592) relating to the delivery of electronic mail over wireless systems.

"The patents have been about as tested as any patent portfolio ever has," Epstein said, referring to the three-year litigation prior to settlement with RIM (65 PTCJ 74, 11/22/02; 66 PTCJ 146, 5/30/03; 66 PTCJ 432, 8/8/03; 69 PTCJ 159, 12/17/04; 70 PTCJ 433, 8/12/05).

The litigation drew attention when the U.S. Congress (71 PTCJ 53, 11/18/05) and the Patent and Trademark Office (71 PTCJ 427, 2/24/06) got involved and thousands of Blackberry-using government workers feared the result if RIM were enjoined.

**Agreement Ends Litigation.** The July 23 agreement ends the infringement actions by NTP—most of which were initiated in 2007 just after the RIM settlement—

asserting the eight patents in the U.S. District Court for the Eastern District of Virginia against:

- wireless carriers AT&T Inc., Cellco Partnership (Verizon Wireless), Sprint Nextel Corp., and T-Mobile USA Inc.;

- smartphone manufacturers Apple Inc., HTC Corp., Motorola Mobility Holdings Inc., Palm Inc., LG Electronics MobileComm U.S.A., and Samsung; and

- email service and software providers Google Inc., Microsoft Corp., and Yahoo! Inc.

The NTP patents are expiring soon, according to Epstein—the earliest patents issued in 1995 and the others are divisionals or continuations of those patents—so the fees to be paid by the companies for the most part are intended to resolve past infringement claims.

"What we've achieved here is unique," he contended. "Everyone is taking a license to the patent portfolio in one agreement."

He told BNA that it was of particular advantage to the patent holder to get all the defendants at the table at once, and that the defendants could also benefit by the economies of scale of negotiating a reasonable license under a single structure.

Though he said that the 13 companies represent "a substantial portion of the overall wireless email infrastructure," Epstein said that NTP is continuing talks with other companies—ones not currently involved in litigation with the patent owner—as well, and he expects those companies to take advantage of the same basic license structure.

Epstein said that Epicenter has sold more than 100 patent portfolios that generated \$400 million using "new ways to make the [patent valuation] market more efficient." The NTP deal was one further idea along those lines, he said.

By TONY DUTRA