

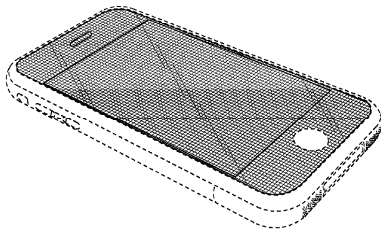
# IP NEWS QUARTERLY

IP Attorneys Group, LLC

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## **Apple v. Samsung — The intellectual property behind the record breaking verdict.**

Art from D618,677, one of Apple's patents at issue in the lawsuit:



Apple claimed that Samsung was blatantly imitating the design of Apple's iPhone and iPad as well as the technology contained within Apple's iPhone and iPad in order to capitalize on Apple's success. Samsung argued both that Apple's designs were not innovative and that tablet and smartphone technology evolved naturally in the direction of Apple's designs. Apple alleged damages of \$2.5 billion for lost profits, unjust enrichment, and lost royalties.

The jury found that many of Samsung's products infringed on Apple's design and utility patents. The design patents presented for the jury's judgment included: D618677, D593087, D604305, and D504889. The D'677 patent covered Apple's iPhone's rounded rectangular design and thin bezel, edge to edge glass, and horizontal speaker. The design patent D'087 covered the iPhone's rounded corners, front edge border, and home button. Finally, design patent D'305 covered the dock at the bottom of the iPhone as well as the grid icon layout.

In addition, the jury held that Samsung infringed on aspects of Apple's 7469381, 7844915, and 7864163 utility patents. The jury found infringement on claim 19 of the '381 patent, which covered the bounce-back feature on the iPhone and iPad. The jury also found infringement on claim 8 of the '915 patent, which distinguished between the one-finger scroll and two finger zoom functions on the Apple products. Finally, the jury found that some of Samsung's products infringed on claim 50 of the '163 patent for tapping twice to zoom.

With the exception of D'889 and D'087, the jury found that Samsung had willfully and knowingly infringed on each of Apple's patents in question. The jury awarded \$1.05 billion in damages for infringement on Apple's patents, which is the third largest verdict in patent litigation history.

*Please contact this office should you have any questions regarding patents or claims of patent infringement.*

### **In this issue:**

|                    |   |
|--------------------|---|
| Apple v. Samsung   | 1 |
| Licensing Pointers | 2 |

### **Did you know?**

- The issue fee for a United States Design Letters Patent is now \$1010.00 up from \$990.
- The Atomic Energy Act of 1954 excludes the patenting of inventions useful solely in the utilization of special nuclear material or atomic energy in an atomic weapon. See 42 U.S.C. 2181(a).

## Licensing Pointers.

The primary legal function of a trademark is to ensure consumers can gauge the quality of goods by identifying their source. Trademarks also protect the goodwill that a manufacturer fosters with the public by producing quality goods. So called "naked licensing," which is licensing without specifying the quality of the goods to be sold, is tantamount to trademark abandonment in the eyes of the law.

Barcamerica International USA Trust v. Tyfield Imports, Inc., 289 F.3d 589-598 (9th Cir. 2002). Accordingly when a trademark owner licenses another company to use its mark, the owner should keep in contact with the licensee and confirm that quality control measures are in place. This will help maintain the licensing company's good will and brand loyalty.

### **Advantages and Disadvantages of Licensing your Trademark.**

The decision of whether or not to license one's mark should be made after engaging in a cost-benefit analysis. The licensor will benefit from licensing fees, which will vary depending on both the utility of the mark in the hands of the licensor and the perceived market value of that mark in the hands of the licensee. A licensor may even derive considerable fees by licensing an underperforming mark to a company that can better utilize that mark. This can also facilitate entry of the licensor's mark into new markets without the need to purchase specialized manufacturing equipment. Licensing through brand expansion in turn helps prevent brand dilution.

Licensees benefit from use of trademarks without the need to perform trademark maintenance and without engaging in the substantial investment of applying for and registering a trademark.

A potentially large detriment that the licensor must consider is that the licensor may need to protect the licensee's rights. Thus, the licensor may be a party to lawsuits brought against the licensee regarding the licensed mark.

Similarly, the licensee is disadvantaged by the very nature of the licensing relationship in that the licensee develops goodwill and rights that ultimately inure to the licensor.

*Please contact this office should you have any questions regarding intellectual property licensing.*



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**IP Attorneys Group, LLC**  
Patents—Trademarks—Copyrights

16 Oxford Road, 2nd Floor  
Milford, CT 06460

Tel: 203 298 4830

Fax: 203 298 4832

E-mail: [info@ipattorneysgroup.com](mailto:info@ipattorneysgroup.com)