

Fractus, LG Settle Cellphone Antenna Patent Dispute

By Leigh Kamping-Carder

Law360, New York (June 02, 2011, 12:09 PM ET) -- Fractus SA agreed Wednesday to drop an infringement suit against LG Electronics Inc. over cellphone antenna technology in Texas federal court, about a week after winning a \$23 million jury verdict against Samsung Electronics Co. Ltd.

Barcelona, Spain-based Fractus and Seoul, South Korea-based LG moved to dismiss the claims and counterclaims pending in the suit in light of a confidential settlement the parties reached in mid-May. Attorneys for the companies did not immediately respond to calls seeking comment Thursday.

Fractus lodged the suit against a number of cellphone giants in May 2009, asserting nine patents. Aside from Samsung, HTC Corp. is the only defendant yet to reach a settlement with the plaintiff, according to the docket.

The LG settlement comes after a Texas federal jury decided May 23 that Samsung had infringed four Fractus patents and awarded the plaintiff a royalty of more than 35 cents per phone.

"I think it may have been the fastest plaintiff verdict in the Eastern District of Texas," Max Tribble of Susman Godfrey LLP, lead counsel for Fractus, told Law360 last week, noting that deliberations lasted a mere two hours.

The jury determined that Samsung had willfully infringed the patents, both literally and under the doctrine of equivalents, and that Samsung had failed to prove the patents were invalid.

Fractus has negotiated nearly \$70 million in patent licenses with companies formerly named in the suit, according to Susman Godfrey.

Most recently, BlackBerry maker Research In Motion Ltd. settled with Fractus in April for an undisclosed sum. Sharp Corp., Palm Inc., Sanyo Electric Co. Ltd. and others have settled as well.

In January 2010 the court rejected bids by Sharp and Sanyo to have the case thrown out.

The patents-in-suit cover multilevel antennas, space-filling miniature antennas, a loaded antenna and a multiband monopole antenna for a mobile communications device, according to Fractus.

Founded in 1999, Fractus has concentrated on developing antennas small enough to fit inside a phone yet powerful enough to support multiband cell phones, and it has shipped millions of its antennas

worldwide, according to the company. It holds more than 80 patents, including more than 30 in the U.S., it said.

Fractus has said many of the defendant device makers knew about its patents but chose to ignore them.

The patents-in-suit are U.S. Patent Numbers 7,015,868; 7,123,208; 7,148,850; 7,202,822; 7,312,762; 7,394,432; 7,397,431; 7,411,556; and 7,528,782.

Fractus is represented by Max Tribble, Victoria Cook, Genevieve J. Vose and Justin A. Nelson of Susman Godfrey LLP, Michael F. Heim of Heim Payne & Chorush LLP, T. John Ward Jr. of Ward & Smith Law Firm, and Elizabeth L. DeRieux, Daymon J. Rambin and Sidney C. Capshaw III of Capshaw DeRieux LLP.

LG is represented by Winstol D. Carter Jr., James L. Beebe, Lauren B. Hoffer, Collin W. Park, Thomas E. Nelson, Bradford A. Cangro and Robert W. Busby of Morgan Lewis & Bockius LLP and Jennifer P. Ainsworth of Wilson Robertson & Cornelius PC.

The case is Fractus SA v. Samsung Electronics Co. Ltd. et al., case number 6:09-cv-00203, in the U.S. District Court for the Eastern District of Texas.

--Additional reporting by Richard Vanderford and Roxanne Palmer. Editing by Lisa Uhlman.