

Apple Pays Up To Settle Nokia Patent Suits

By Ryan Davis - June 14, 2011

Nokia Corp. said Tuesday that Apple Inc. had agreed to license numerous Nokia patents, resolving patent litigation between them that has stretched from three federal courts and the U.S. International Trade Commission to courts in three European countries.

Nokia said in a statement that under the terms of the confidential settlement to resolve all of the pending litigation, Apple will pay a one-time lump sum along with ongoing royalties to license numerous Nokia patents.

"We are very pleased to have Apple join the growing number of Nokia licensees," Nokia President and CEO Stephen Elop said in a statement. "This settlement demonstrates Nokia's industry-leading patent portfolio and enables us to focus on further licensing opportunities in the mobile communications market."

A representative of Apple could not immediately be reached for comment. Although Apple had also accused Nokia of infringing its patents, the statement does not indicate that Nokia will pay to license any of Apple's patents.

The dispute began in 2009, when Nokia filed suit at the ITC accusing Apple's iPhone of infringing several patents related to mobile battery, camera, touch-screen and antenna technology.

Apple then filed its own complaint against Nokia at the ITC over patents for boot-up software.

In March, Nokia filed a new complaint at the ITC alleging that Apple products infringe several patents related to multitasking operating systems, data synchronization, positioning, call quality and the use of Bluetooth accessories.

Also in March, an ITC judge found that Apple did not infringe five of the Nokia patents, and the full ITC announced in May that it would review the ruling.

Nokia has also filed related patent litigation against Apple in federal court in Delaware, California and Wisconsin and in courts in Germany, the United Kingdom and the Netherlands.

At the time the most recent ITC complaint was filed in March, Nokia said in a statement that it had asserted a total of 46 patents against Apple.

Craig R. Smith, a partner at Lando & Anastasi LLP who has been following the case, said that the settlement is significant in that it brings the massive multiyear litigation between the companies to a close and allows both to move forward without the threat of litigation.

He added that the statement put out by Nokia indicates that, having successfully secured a settlement with Apple, the company will soon be targeting other companies over the patents.

"Anyone who represents other mobile phone manufacturers will be looking at who Nokia will sue next," Smith said.

Nokia is represented by firms including Alston & Bird LLP and Morris Nichols Arsht & Tunnell LLP.

Apple is represented by firms including WilmerHale, Wong Cabello Lutsch Rutherford & Brucculeri LLP and Potter Anderson & Corroon LLP.

Case information for the cases in the U.K., Germany and the Netherlands was not immediately available.

The four cases in Delaware, all of which are captioned Nokia Corp. v. Apple Inc., are case numbers 1:09-cv-00791, 1:11-cv-00259, 1:09-cv-01002 and 1:11-cv-00015, in the U.S. District Court for the District of Delaware.

The other federal court cases are Nokia Corp. v. Apple Inc., case number 3:10-cv-00249, in the U.S. District Court for the Western District of Wisconsin and Nokia Corp. v. Apple Inc., case number 2:11-cv-03860, in the U.S. District Court for the Central District of California.

The ITC cases are In the Matter of Certain Mobile Communications and Computer Devices and Components Thereof, case number 337-TA-704; In the Matter of Certain Electronic Devices, including Mobile Phones, Mobile Tablets, Portable Music Players, and Computers, and Components Thereof, case number 337-TA-771; and In the Matter of Certain Electric Devices, Including Mobile Phones, Portable Music Players and Computers, case number 337-TA-701, all in the U.S. International Trade Commission.