

EXHIBIT A

HTC Sues Apple Using Google Patents Bought Last Week as Battle Escalates

By Phil Milford & Susan Decker - Sep 7, 2011 11:00 PM CT

[HTC Corp. \(2498\)](#), Asia's second-biggest smartphone maker, is using nine patents bought from [Google Inc. \(GOOG\)](#) last week to pursue new infringement claims against Apple Inc.

Google had taken ownership of the patents less than a year ago, with four of the patents originating from Motorola Inc., three from Openwave Systems Inc. and two from Palm Inc., according to U.S. Patent and Trademark Office records. Jim Prosser, a spokesman for [Mountain View](#), California-based Google, wouldn't discuss reasons for the nine transfers to HTC.

Enlarge image



Traces of a removed Apple Inc. logo and an HTC Corp. logo decorate a store front in Kunming, Yunnan Province, China. Photographer: Nelson Ching/Bloomberg

HTC now has more ammunition in its fight to fend off multiple patent-infringement claims lodged by Apple that contend phones running Google's Android operating system copy the iPhone. Google's involvement in aiding HTC represents a new front in an industrywide dispute over smartphone technology that has also ensnared Android customers Motorola Mobility Holdings Inc., Barnes & Noble Inc. and Samsung Electronics Co.

Enlarge image



Google, which distributes the Android operating system used in HTC phones, isn't a party in Apple's patent complaint at the ITC. Illustration: Bloomberg

"That's a bit of a game-changer," said [Will Stofega](#), a technology analyst at Framingham, Massachusetts-based IDC. "Google was interested in protecting its licensees with Android. It shows they need to support their customers in order to make sure the customers stick with them."

HTC sued Apple yesterday in court and filed a complaint at the U.S. International Trade Commission, alleging infringement of the patents obtained from Google.

Tremendous Pressure

Google, which hasn't been sued directly by Apple, has been criticized for sitting on the sidelines while its Android partners faced lawsuits. Taoyuan, Taiwan-based HTC, which gained attention in the U.S. by making the first phone to run Android, has defended itself partly by

bringing two infringement cases against Apple at the trade commission in [Washington](#), one submitted last year and another last month.

HTC also agreed to buy closely held S3 Graphics Co. less than a week after that company won a preliminary patent ruling against Cupertino, California-based Apple.

“Google knows that HTC is under tremendous legal pressure from Apple and clearly on the losing track,” Florian Mueller, a Munich-based consultant and intellectual property activist. “This intervention on Google’s part increases the likelihood of direct litigation by Apple against Google.”

Google, which had been issued fewer than 1,000 patents as of the start of this year, had said it would build a stronger patent portfolio as a defense against intellectual property lawsuits. It made good on that promise last month when it agreed to spend \$12.5 billion to buy Motorola Mobility, acquiring more than 17,000 patents.

HTC Complaints

HTC sued Apple in federal court in [Delaware](#), claiming infringement of four of the patents obtained from Google and originally issued to Motorola before it split into Motorola Mobility and Motorola Solutions Inc. Google acquired one of the patents in October, two in February and one in March, according to the PTO.

The lawsuit contends the Mac computer, iPhone, iPod, iPad, iCloud and iTunes are infringing patents for a way to upgrade software wirelessly; a way to transfer data between a microprocessor and a support chip; a method to store user preferences, and a way to provide consistent contact between application software and a radio modem.

HTC also amended a complaint with the trade commission yesterday, adding five of the former Google patents to a case that targets many of the same products. Three of those patents Google bought from Openwave and two others had been owned by Palm, which was acquired by [Hewlett-Packard Co. \(HPQ\)](#) last year.

Openwave, RIM

The patents in the ITC case relate to an interface that lets the user add identifiers such as .com or .org; an interface that enlarges characters being typed; a way to display information on mobile devices; and status bars that let a user check phone calls, [text messages](#) or calendar events.

“HTC will continue to protect its patented inventions against infringement from Apple until such infringement stops,” HTC General Counsel Grace Lei said yesterday. “We believe that we have an obligation to protect our business, our industry partners and our customers, who love using our products.”

Google transferred the nine patents to HTC on Aug. 29 and the transactions were recorded by the patent agency on Sept. 1.

Openwave, a [Redwood City](#), California-based maker of software for mobile phones, filed its own patent-infringement complaints against Apple and Research in Motion Ltd. last month.

Healthy Competition

HTC and Apple are part of a struggle among smartphone makers looking to fight copycats and thwart competition in a market projected by researcher IHS Inc. to be \$206.6 billion this year. In addition to HTC’s three complaints, Apple won a case in July in which a commission

judge determined that some HTC Android devices infringed two patents. Apple has another complaint, filed in July, that also targets HTC's Flyer tablets.

"We think competition is healthy, but competitors should create their own original technology, not steal ours," [Kristin Hugueta](#), a spokeswoman for Apple, said yesterday, reiterating a statement Chairman [Steve Jobs](#) made last year when Apple sued HTC.

HTC and Apple "have to sit down and figure it out," HTC Chief Financial Officer Winston Yung said in a July 26 telephone interview. "We're open to having discussions," he said.

The ITC case is In the Matter of Certain Electronic Devices with Communication Capabilities, Complaint No. 2841, U.S. International Trade Commission (Washington). The earlier civil case is HTC Corp. v. [Apple Inc. \(AAPL\)](#), 11-cv-715, U.S. District Court, District of Delaware (Wilmington).

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