

# Exhibit A

Published on HamptonRoads.com | PilotOnline.com (<http://hamptonroads.com>)

## Small company wins \$30M verdict vs. Google in Norfolk

### NORFOLK

A federal court jury on Tuesday awarded a small tech company \$30 million after finding that Internet giant Google and several other companies infringed on its two patents.

The jury also decided that Google and the others should pay future royalties, based on a percentage of ad revenue, until the patents expire in 2016. That could amount to hundreds of millions more in damages.

I/P Engine, a subsidiary of the cellphone ring tone company Vringo, owns the patents and sued Google and the other companies, claiming they have been using the technology in those patents without permission.

The jury ordered Google to pay \$15.9 million, AOL \$7.9 million, IAC Search & Media \$6.6 million, Target \$98,800 and Gannett \$4,000. Google sold its ad-filtering technology to the other companies named in the lawsuit.

The infringement award is far lower than what New York-based Vringo had hoped going into the trial. The company had sought a minimum of nearly \$500 million in damages for annual infringement dating back to 2005.

But U.S. District Judge Raymond A. Jackson limited damages to the period beginning when the suit was filed, a little over a year ago, ruling that the patent owners should have filed suit when Google began using its current advertising technology.

The jury decided on damages using a formula based on the companies' annual revenues. The panel didn't detail how it came up with the damage awards covering the past year.

Vringo's lawyers estimated during the trial that the figure should total around \$100 million for that year.

How much Vringo stands to gain from its victory Tuesday is uncertain. Google could change its system so it is no longer infringing on the patent, or the judge could alter or eliminate the running royalties judgment, or toss the verdict entirely.

Lawyers for both sides declined to comment.

Google issued a statement saying that the company will prevail in post-trial motions or in the appeals court.

"We remain confident that the patents here are invalid, that we did not infringe them, and that we will ultimately win this case," the statement said.

Vringo stockholders have been keeping a close eye on the case. The company's stock price fluctuated wildly

during the 13-day trial. Trading was halted at 12:30 p.m. Tuesday just before the verdict was read and then restarted about two hours later. The price closed at \$3.57, down nearly 10 percent for the day.

Bloggers and tweeters were stationed in the courtroom, at times bolting at the slightest hint of news in favor of one side or the other.

Jackson warned them more than once about "stampeding" out of the courtroom. Just before the jury returned with its pronouncement, the judge warned them again not to leave for five minutes after the verdict was read. Several ignored the order and slipped away to report the verdict.

The case highlights the newfound high stakes involved in patent litigation. Patent cases have been filed in record numbers in recent years, with more than 4,000 filed nationwide in the federal fiscal year ending Sept. 30, 2011, more than any year going back to 1990.

Cases often involve a small company that owns a key patent that it alleges is being used by a technology giant. Success, however, is never guaranteed.

A Northern Virginia inventor lost a multimillion-dollar patent infringement case against Twitter in the same courthouse late last year.

But another small patent owner settled with Verizon for more than \$260 million after Verizon lost in a jury trial, also before Jackson, late last year.

Virginia's Eastern District federal courts have become a favored venue for patent litigants because of its renowned "rocket docket," which brings cases to trial faster than any other federal court in the country.

*Tim McGlone, 757-446-2343, [tim.mcglone@pilotonline.com](mailto:tim.mcglone@pilotonline.com)*

**Source URL (retrieved on 12/18/2012 - 17:16):** <http://hamptonroads.com/2012/11/small-company-wins-30m-verdict-vs-google-norfolk>