
Keeping the LEDs on & the Electric Motors Running: Cleantech in Court After eBay

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Diverse Space

Energy Generation Energy Efficiency

- Wind

- Solar

- Hydro/Marine

- Biofuels

- Geothermal

- Lighting

- Buildings

- Glass

Water & Wastewater

- Treatment

- Conservation

- Wastewater

- Treatment

Transportation

- Vehicles

- Logistics

- Structures

- Fuels

Air & Environment

- Cleanup/Safety

- Emissions Control

- Monitoring/
Compliance

- Trading & Offsets

Materials

- Nano

- Bio

- Chemical

Manufacturing/ Industrial

- Advanced
Packaging

- Monitoring &
Control

- Smart Production

Agriculture

- Natural Pesticides

- Land

- Management

- Aquaculture

Recycling & Waste

- Recycling

- Waste Treatment

Energy Storage

- Fuel Cells

- Advanced Batt.

- Hybrid Sys.

Energy

Infrastructure

- Management

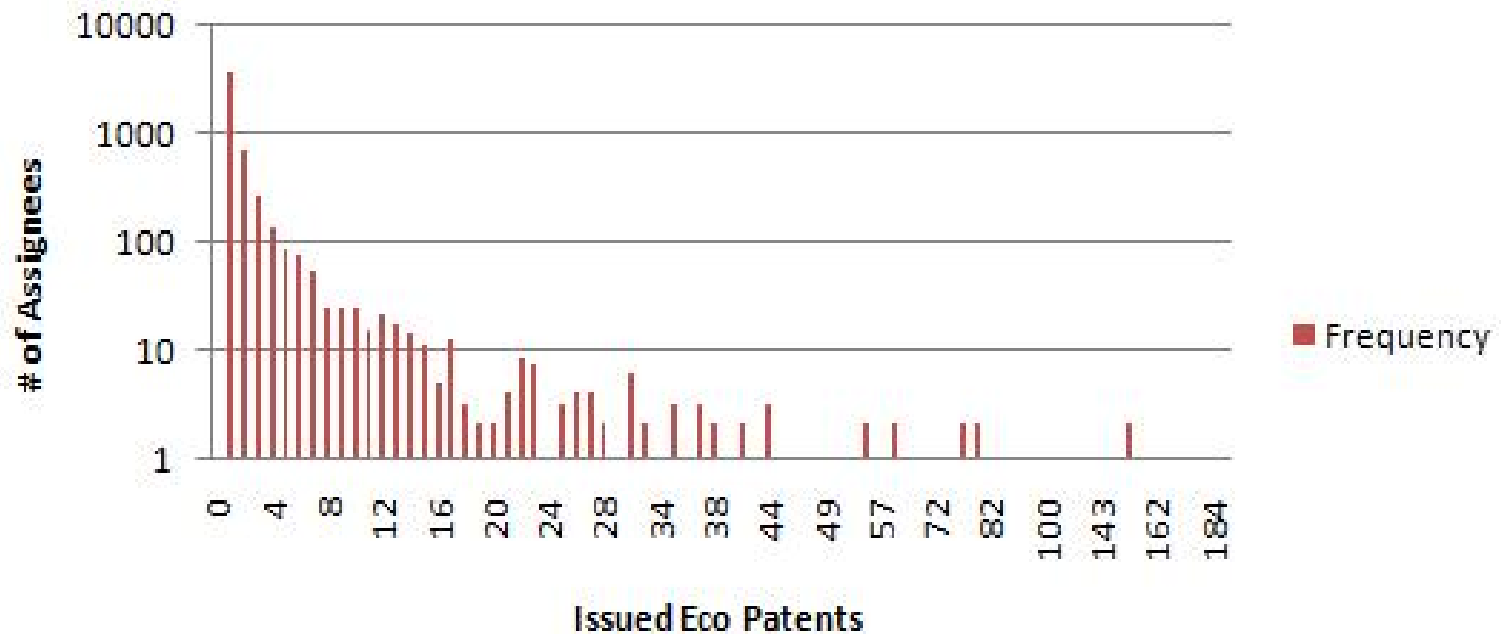
- Transmission



Clean Tech Patent Filings

Eco Patents by Assignee Histogram

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eBay v. MercExchange

- District Court: eBay infringed MercExchange patent; injunction denied
 - Business method patent
 - MercExchange willing to license the patent
- Federal Circuit reversed
 - “courts will issue permanent injunctions against patent infringement absent exceptional circumstances”
- Supreme Court vacated injunction: traditional four-factor test applies in patent cases
 - Kennedy concurrence: beware of suspect patents and patentees using injunction as bargaining chip



Clean Tech Icon Makes an Impact

- 1,028,000 units sold as of April 30, 2008
- Toyota estimates reduction of about 4.5 million tons of carbon dioxide



Paice v. Toyota

District Court

- Jury verdict (liability): infringement under DOE
- Jury verdict (past damages): \$25 royalty per infringing vehicle sold
- Court reviews four factors: Injunction denied
- Court awards “ongoing royalty” of \$25 per infringing vehicle

Federal Circuit

- Ongoing royalty permissible



Paice v. Toyota (District Court)

(1) No Irreparable Harm

- Paice's licensing efforts were not hampered
- Paice does not compete for market share or brand recognition

(2) Monetary damages adequate

- \$ damages vindicate patent rights
- Infringed claims form small aspect of vehicles (see jury damage award)
- Paice extended licensing offers throughout post-trial motions



Paice v. Toyota (District Court)

(3) Balance of hardships weigh against injunction

- Injunction would disrupt Toyota's and related businesses (dealers and suppliers)
- Injunction would stifle “burgeoning hybrid market”
- Injunction would damage Toyota's reputation

(4) Public interest favors neither party

- Enforcement of patent rights accomplished by non-injunctive relief
- Reducing dependence on foreign oil argument “unavailing”: other hybrids on the market



Paice v. Toyota (District Court)



“Defendants are hereby ORDERED, for the remaining life of the ‘970 patent, to pay Plaintiff an ongoing royalty of \$25.00 per infringing Prius II, Toyota Highlander, or Lexus RX400H (the ‘infringing vehicles’).”



Paice v. Toyota (Federal Circuit)

“Under some circumstances, awarding an ongoing royalty for patent infringement in lieu of an injunction may be appropriate. . . .”



Toyota Targeted Again

- *Solomon Technologies v. Toyota Motor Corp.* (Fed. Cir. 2008), filed in International Trade Commission 2005
- *Paice v. Toyota Motor Corp.* (E.D. Tex.), filed July 2008
- *Gardner v. Toyota Motor Corp.* (W.D. Wash.), filed August 2008



Light-emitting Diodes

- More than four times as efficient as standard incandescents
- Used by the billions in many applications from instrument panels to traffic lights to cell phones



Rothschild's LED Patents

- U.S. Patent No. 4,904,618, “Process for doping crystals of wide band gap semiconductors”
- U.S. Patent No. 5,252,499, “Wide band-gap semiconductors having low bipolar resistivity and method of formation”



Litigating LEDs

The Accused

Avago Technologies, Bacol Optoelectronic, Cree, Dominant Semiconductor, Everlight Electronics, Exceed Perseverance, Guangzhou Hongli Opto-Electronic Co., Harvatek Int'l, Hitachi, Kingbright Electronic Co., LG Electronics, Lite-On Tech., Lucky Light Electronics, Matsushita, Motorola, Nokia, Opto Tech, Osram, Philips Lumileds, Pioneer, Rohm, Samsung, Sanyo, Seoul Semiconductor, Sharp, Shenzhen Unilight, Shinano Kensi, Sony, Sony Ericsson, Stanley Electric Co., Toshiba, Toyoda Gosei, Vishay, Yellowstone Corp.

Licensees

- Sony
- Sanyo
- Philips
- Epistar
- Toyoda Gosei
- Osram
- Exceed Perseverance
- Lucky Light





Green Patent Blog

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