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## McKool Smith Wins \$10M Patent Verdict for Plano Wireless Tech Company

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By *Natalie Posgate*

(Aug. 27) – An East Texas jury ruled Monday the Chinese telecom giant that manufacturers Android smartphones willfully infringed on five patents related to wireless communications technology that are owned by Plano-based Optis Wireless Technology and PanOptis Patent Management.

After wrapping up a five-day trial with deliberations that began on Friday, an all-female jury in Marshall ruled unanimously Monday morning that China-based Huawei Technologies and its Plano-based U.S. subsidiary, Huawei Device USA, should pay PanOptis \$10.55. Four of the PanOptis patents are related to increasing the efficiency 4G LTE technology and one relates to the decoding of picture and audio data.

Because the jury structured the awarded damages as a running royalty, U.S. District Judge Rodney Gilstrap will determine at a later date the rate Huawei will pay should it continue to infringe on PanOptis' patents.

"The jury was focused and worked very hard to understand the complex technology and the many patents that are involved in the case," McKool Smith principal **Ted Stevenson**, the lead trial lawyer for PanOptis told *The Texas Lawbook*. "The jurors were very attentive, took the case very seriously, and we think they got it right. We're very pleased with the verdict."



Silicon Valley lawyer Robert Haslam of Covington & Burling, the lead trial lawyer for Huawei, did not immediately respond to a request by *The Texas Lawbook* seeking comment.

PanOptis filed its lawsuit against Huawei last February, alleging it met face-to-face with Huawei representatives "at least 10 times" in Hong Kong and Shenzhen, China from 2014 to 2016 to tell Huawei about its patents and propose a term sheet for a global license.

In addition, PanOptis "initiated and exchanged written correspondence with Huawei numerous times" and reached out to the company by phone multiple times, but Huawei still had not "reciprocated PanOptis's good faith efforts," and instead "has resisted taking a license to PanOptis' valuable intellectual property," the lawsuit says.

PanOptis argued that many of Huawei's Android smartphones and cellular-capable tablets infringe on the five patents, some of which are sold in the U.S. in stores such as Best Buy.

Huawei denied in court documents that it infringed on PanOptis' patents and filed counterclaims seeking declaratory judgment to confirm that assertion. It also sought declaratory judgment that PanOptis' patents were invalid.

On the verdict form, the jury declined to rule in Huawei's favor on both requests.

Other attorneys on PanOptis' Texas-based McKool Smith trial team included principals **Sam Baxter**, **Kevin Burgess**, **Lindsay Martin Leavitt** and **Jennifer Truelove**, and associates **Christine Woodin**, **Kevin Hess** and **Marcus Rabinowitz**. The attorneys are based in McKool Smith's Dallas, Marshall and Austin offices.

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