Jury Says Microsoft Owes \$242M For Infringing IPA Patent

By Adam Lidgett · Listen to article

Law360 (May 13, 2024, 4:32 PM EDT) -- A Delaware federal jury on Friday found that Microsoft infringed a trio of claims in a patent initially issued to a company that developed Apple's Siri software, handing the patent owner \$242 million.

The amount awarded to litigation outfit IPA Technologies was for a reasonable royalty, according to the jury verdict form.



The allegations against Microsoft surround Cortana, a virtual assistant Microsoft released in 2014 and packaged in its Windows 10 operating system that was eventually abandoned in later operating systems. (Zed Jameson/Bloomberg via **Getty Images**)

U.S. District Judge Richard Andrews in April tossed claims that Microsoft's virtual assistant program infringed another patent initially issued to IPA Technologies, but he declined to scratch out allegations on the other patent in the dispute.

The judge had said in April that "no reasonable jury could find that the accused server systems infringe claim 29 of" U.S. Patent No. 6,851,115, dealing a setback to IPA Technologies.

The remaining claims in that patent that were asserted against Microsoft and filed around the turn of the millennium by researchers at SRI International, a nonprofit spinoff once affiliated with Stanford University, were "dependent" on claim 29 and were thus scrapped from the suit as well, Judge Andrews said.

The suit was brought by IPA, part of patent asserting business WiLAN, which has since sold off most of its patent-asserting businesses to a pair of New York investment firms. IPA bought the patents, among others, from SRI in 2016. That year, the company began a legal campaign citing the SRI patents in cases and eventually lodged suits against companies like Amazon and Microsoft.

According to the allegations, those SRI patents had been filed by researchers who had been involved with developing the Siri personal assistant program that SRI sold to Apple in 2010 through "a nonexclusive license" that gave SRI — and later IPA — the right to sell or assert them against other companies. Apple is not involved in these IPA legal campaigns, nor is SRI.

In 2021, Amazon was cleared from IPA's infringement allegations.

The case against Microsoft dates to 2018.

The allegations against Microsoft surround Cortana, a virtual assistant Microsoft released in 2014 and packaged in its Windows 10 operating system. Cortana didn't prove to be very successful with customers, and Microsoft later abandoned the program in the years and operating systems it has released since, officially ending any customer service for its remaining users late last year.

Counsel for IPA Technologies declined to comment to Law360.

"We remain confident that Microsoft never infringed on IPA's patents and will appeal," a Microsoft spokesperson said in a statement.

The patent-at-issue is U.S. Patent No. 7,069,560.

IPA Technologies is represented by Paul J. Skiermont, Jaime K. Olin, Steven W. Hartsell, Sarah E. Spires, Alexander E. Gasser, Kevin P. Potere, Todd A. Martin and Mieke K. Malmberg of Skiermont Derby LLP and Stephen B. Brauerman of Bayard PA.

Microsoft is represented by Rodger D. Smith II and Travis J. Murray of Morris Nichols Arsht & Tunnell LLP.

The case is IPA Technologies Inc. v. Microsoft Inc., case number 1:18-cv-00001, in the U.S. District Court for the District of Delaware.

--Additional reporting by Andrew Karpan. Editing by Lakshna Mehta.

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1 Comment

Aaron Hand May 10th, 2024, 5:15PM

Why does the bulk of this article focus on claims or parties that were dismissed, rather than the patent and claims that were found to be infringed and not invalid by the jury? No mention is even made that the jury wholly rejected Microsoft's invalidity challenge.

The article also leaves out that the infringed patent claims survived attacks at the PTAB, affirmed by the Federal Circuit. And so more than SIX YEARS after filing suit, IPA finally got its day in court. And won.