

Apple Ordered to Pay \$625 Million to Patent Troll



Summary: Apple was ordered to pay \$625 million to VirnetX for patent infringement.

It's another win for the patent trolls. This time Apple has been ordered to pay \$625 million for infringing on patents used in their FaceTime and iMessage features.

According to Tech Crunch, Apple recently lost a legal battle to famed patent troll VirnetX. Tech Crunch states that the company is known as a troll because it makes the majority of its money from patent licensing and lawsuits against technology companies.

"VirnetX, which is commonly referred to as a troll because it makes almost of its revenue from patent licensing and lawsuits, has sued a number of tech companies over the past decade. It settled a 2014 dispute with Microsoft over patents used in Skype, pocketing \$24 million in the process, and made \$200 million from the Redmond-based company via a 2010 case," TechCrunch wrote.

CNN Money reports that the case had been in the court system since 2012. VirnetX first accused Apple of stealing four of its patents that pertained to real-time online communications. A court ruled in favor of VirnetX that year and awarded them \$368 million. Apple appealed and won on a technicality.

The appeals court, however, sent the case to East Texas for a retrial. As we previously reported, that area is known to be the most plaintiff-friendly court for patent trolls to win in. The discussion of patent reform has reached mainstream attention enough that HBO's *Last Week Tonight with John Oliver* discussed the debate in depth in April of 2015.

On Wednesday, VirnetX prevailed when a jury found the Apple "willfully" violated VirnetX's patents. Apple has since then revised the software of iMessage, Facetime, and VPN software to avoid another infringement, and they said they will appeal the decision.

"We are surprised and disappointed by the verdict and we're going to appeal. Our employees independently designed this technology over many years, and we received patents to protect this intellectual property," Apple said in a statement. "All four of VirnetX's patents have been found invalid by the patent office. Cases like this simply reinforce the desperate need for patent reform."

Source: Tech Crunch
Source: CNN Money
Photo courtesy of Apple