

Honda, Signal Patent Suit Tossed After Settlement Reached

By Kali Hays

Law360, New York (March 23, 2016, 8:19 PM ET) -- A California federal judge on Wednesday dismissed an infringement suit against Honda by automotive patent holder Signal IP Inc. after the companies said they had resolved their differences and reached a settlement putting an end to the litigation.

Granting a joint motion for dismissal by American Honda Motor Co. and Signal filed the same day, U.S. District Judge John A. Kronstadt said in a brief order that claims and counterclaims in the suit could go by the wayside because the companies had come to an undisclosed settlement.

All of the claims have been dismissed with prejudice, and Honda and Signal, a subsidiary of patent acquisition firm Marathon Patent Group Inc., will each be responsible for their respective costs, according to the order.

Counsel for the parties could not be reached late Wednesday for comment.

The suit goes back to April 2014, when Signal fired off a dozen complaints against as many automakers, including Honda, BMW, Volkswagen and others, accusing them of violating different combinations of seven of its patents.

However, most of the companies were freed in May from the allegations when Signal agreed to partial invalidity of the claims after the court found those surrounding three patents in the litigation were indefinite during claim construction.

The patents at issue in the suits cover a host of safety and efficiency features, including a radar system used to detect when objects enter a driver's blind spot and a method for determining whether to deploy an air bag based on which direction an infant is facing. The patents also cover technology used in the car companies' cruise control, collision warning and keyless entry systems, and one describes a method for when to use electric power in a hybrid vehicle.

Signal, a subsidiary of patent acquisition and monetization firm Marathon Patent Group Inc., initially sought a declaratory judgment that the car companies willfully infringed the patents, an order preventing future infringement, treble damages and attorneys' fees.

Another Marathon subsidiary, Relay IP Inc., deployed a similar wave of infringement suits against close to 20 companies in 2013, including Nasdaq OMX Group Inc., Cisco Systems Inc. and Hewlett-Packard Co., over their data products that allegedly infringed on a single patent.

Most of those cases were later dismissed after the parties reached settlements, according to court records.

Based in Virginia, Marathon provides a variety of services to patent holders, including asset analysis, licensing, prosecution and enforcement, according to its website.

Signal is represented by Ryan E. Hatch of Liner LLP.

Honda is represented by Ahmed J. Davis of Fish & Richardson PC.

The remaining patents-in-suit are U.S. Patent Numbers 5,714,927; 5,954,775; 6,434,486; and 5,463,374.

The case is Signal IP Inc. v. American Honda Motor Co. Inc. et al., case number 2:14-cv-02454, in the U.S. District Court for the Central District of California.

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