

Patent Litigation Victory on Behalf of Our Clients, Publications International, Ltd., et al.

by Terrence J. Sheahan

A FREEBORN & PETERS LITIGATION VICTORY

A group of publishers – composed of Publications International, Ltd.; SD-X Interactive, Inc.; Encyclopaedia Britannica, Inc.; and Herff Jones, Inc. – won a significant victory in its defense of a patent infringement suit. The case (*Sonix Technology Co., Ltd. v. Publications International, Ltd., et al.*, Case No. 13-cv-2082) was dismissed on summary judgment by the U.S. District Court for the Northern District of Illinois on Dec. 8, 2015.

Plaintiff Sonix Technology Co. is a Taiwan-based integrated circuit developer and manufacturer. The company owns a patent that describes a method for producing visually negligible dot patterns – referred to as “graphical indicators” – affixed to a surface (e.g., the page of a book) that overlap and co-exist but do not interfere with the main information on the surface of the object (e.g., visual text and images). The company sells products that use this dot-decoding technology exclusively to independent distributors in Hong Kong.

Sonix knew as early as 2007/2008 that GeneralPlus – a developer of integrated consumer circuits – sold products that competed with Sonix’s dot-pattern technology. Sonix also knew as early as 2010 that Publications International was considering using GeneralPlus as a vendor for its products and that a possible patent infringement claim might exist. However, despite the knowledge of a potential infringement claim, Sonix did not pursue any avenue to reveal the content of GeneralPlus’ technology.

In its analysis of the case, the Court focused on the patent’s use of the phrase “visually negligible.” Sonix asserted that the term referred to something that may be visible but that does not interfere with the user’s perception of other visual information on a surface. The Court, however, took issue with this definition, as it relied on a subjective standard – that being the user’s perception. In addition, the specifications regarding size, number and proportion for graphic indicators to be negligible lacked the detail to make such requirements meaningful.

Based on the lack of clarity regarding the Sonix patent’s claims, the Court ruled that the patent was invalid and thus the question of infringement was moot.

The matter was handled by Terrence J. Sheahan with assistance from Jacob D. Koering, Salvador A. Carranza and Jennifer M. Huelskamp.