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SUITS

BRIAN RIOPELLE
(McGUIREWOODS)



VERIZON V. VONAGE

A \$58 million jury verdict against Vonage Holdings Corp. in a Virginia federal court March 8 could have the broadband phone company dialing 9-1-1.

The jury found that Holmdel, New Jersey-based Vonage, a pioneering provider of Voice over Internet Protocol (VoIP) service, infringed on three patents held by Verizon Communications Inc. But that verdict was only the beginning of a whirlwind legal battle, as Vonage fought for its life through the federal appeals circuit.

Verizon initially filed suit last June in federal district court in Alexandria, Virginia, claiming that Vonage violated seven patents related to Verizon's own VoIP service. (VoIP technology allows users to make phone calls over the Internet.) Vonage lawyers say Verizon then dropped claims on two of those patents before trial.

At trial, the jury found that Vonage infringed Verizon's patents on technology used to connect conventional telephone systems to the Internet; on voicemail and call-forwarding technology; and on devices enabling wireless-to-Internet calls. Jurors determined that Vonage owed Verizon a 5.5 percent royalty on any future revenue that was derived from those technologies. But jurors also found Vonage had not willfully infringed on Verizon's patents, saving it from a potential treble damage award.

On March 23 U.S. district court judge Claude Hilton granted an injunction enjoining Vonage from using the patented Verizon technology. But on April 6 Hilton agreed to a partial

stay for existing Vonage customers, while forbidding the company from signing up new ones. Four hours later, the U.S. Court of Appeals for the Federal Circuit granted a temporary stay of Hilton's order. That stay became permanent on April 24, allowing the company to enroll new customers while it appealed the jury verdict. On May 1, in light of the U.S. Supreme Court's ruling in *KSR International v. Teleflex*, Vonage lawyers asked the Federal Circuit to put the entire appeals process on hold and remand the case for retrial. That request was denied May 3 but the Federal Circuit did say Vonage could cite the new ruling in its appeal of the jury verdict. The court will hear oral arguments June 25.

FOR PLAINTIFF VERIZON COMMUNICATIONS INC. (NEW YORK)

IN-HOUSE: Senior vice president and deputy general counsel **John Thorne**, vice president and associate general counsel **Robert Griffen**, and vice president and associate general counsel—intellectual property **Leonard Suchyta**.

WINSTON & STRAWN: **Peggy Balesteri, Carol Joffe, Peter McCabe III, Charles Molster III, Pejman Sharifi, Dan Webb**, and associates **Jeffrey Anderson, Jason Charkow, David Dahlquist, Geoffrey Eaton, Adam Hess, Kurt Mathas, J. Ethan McComb, Matthew Petrillo, Jasbir Singh, Rebecca Ross, Mark Smith, and Ryan Sparacino**. (Balesteri, McCabe, Webb,

Dahlquist, Mathas, McComb, and Petrillo are in Chicago; Sharifi, Anderson, and Charkow are in New York; and the rest are in Washington, D.C.) The company is a longtime client of the firm, which served as co-lead counsel.

McGUIREWOODS: **Jonathan Link, Richard Meyer, Brian Riopelle**, and associates **Caitlin Lhommedieu** and **Andrew Pratt**. (All are in McLean, Virginia, except Riopelle, who is in Richmond.) Verizon is a longtime client of the firm, which served as co-lead counsel.

FOR DEFENDANT VONAGE HOLDINGS CORP. (HOLMDEL, NEW JERSEY)

IN-HOUSE: Executive vice president, chief legal officer, and secretary **Sharon O'Leary** and vice president and chief intellectual property counsel worldwide **Alan Kalb**. **STEPTOE & JOHNSON:** **Steven Barber, William Bosch, Scott Doyle, Jose Ramon Gonzalez-Magaz, Roger Warin**, of counsel **Elizabeth Johnson, Jeffrey Pryce, Scott Watkins**, special counsel **Susan Koegel, Seth Watkins**, and associates **Emily Cohen, Susan Gihring, and Daniel Girdwood**. (All are in Washington, D.C.) The firm got the litigation through a beauty contest. —BRIAN BAXTER

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