# Trade forum weighs Kodak patent dispute with Apple

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Embattled photography pioneer Eastman Kodak Co. is nearing the end of a high-stakes patent-infringement fight with smartphone giants Apple Inc. and Research in Motion Ltd.

The 131-year-old Rochester, N.Y.-based company argued in a January 2010 lawsuit that image-preview technology it patented in 2001 was infringed by iPhone maker Apple Inc. of Cupertino, Calif., and BlackBerry maker Research in Motion Ltd. of Ontario, Canada.

Chief Executive Antonio Perez estimates Kodak could draw up to $1 billion from its deep-pocketed rivals if it gets a favorable ruling Thursday before the U.S. International Trade Commission in Washington, D.C.

Because the federal agency can block imports of patent-infringing products, Apple and RIM could be forced to spend hundreds of millions of dollars in licensing fees to bring in smartphones made overseas.

Both Apple and RIM have declined to comment on the case.

A triumph for Kodak would also lift some pressure on the maker of cameras, film, photo kiosks and inkjet printers as it struggles to redefine itself as a 21st-century powerhouse in digital imaging.

Its dispute with Apple and RIM centers on technology Kodak created for extracting a still image while previewing it in the camera's LCD screen. In 2009, the trade commission ruled that South Korean mobile phone makers Samsung Electronics and LG Electronics infringed the same patent, resulting in $964 million in payouts.

Kodak has amassed more than 1,000 digital-imaging patents since the 1970s, and almost all of today's digital cameras rely on those inventions. It has licensed digital technology to at least 30 companies, including mobile-device makers such as Motorola Inc. and Nokia Corp.

Mining its rich array of inventions for repeated cash infusions has become an indispensable tactic driven in large part by Kodak's long and painful digital turnaround.

Since 2004, Kodak has reported only one full-year profit — in 2007 — and anticipates another annual loss this year before crossing back to profitability sometime in 2012. It has trimmed its work force to 18,800 from 70,000 in 2002.

Kodak has a promising array of new businesses, but it needs to tap other sources of revenue before investments in those areas have time to pay off.

It is hoping four growth businesses — consumer inkjet printers, high-speed commercial inkjet presses, workflow software and packaging — will more than double in size to nearly $2 billion in revenue in 2013, accounting for 25 percent of all sales.

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