European Commission wades into global tech patents war

Ethan Bilby, Reuters

(Reuters) - EU regulators are poised to accuse Samsung of breaking competition rules in filing patent lawsuits against rival Apple, in the EU's first formal challenge to the consumer electronic industry's patent wars.

"We will issue a statement of objections very soon," the European Union's competition chief Joaquin Almunia said on Thursday, referring to the Commission's charge sheet.

Technology companies are increasingly turning to the European Commission as the EU's competition authority, to resolve their disputes, with the EC also investigating Google and Microsoft.

Apple and Samsung, the world's top two smartphone makers, are locked in patent disputes in at least 10 countries as they vie to dominate the lucrative mobile market and win over customers with their latest gadgets.

The filing of competition objections is the latest step in the Commission's investigation. After notifying Samsung in writing the company will have a chance to reply and request a hearing before regulators.

If the Commission then concludes that the firm did violate the rules, it could impose a fine of up to 10 percent of the electronic firm's total annual turnover.

Other current cases under investigation by the EC involve Google-owned phone maker Motorola Mobility, Microsoft and Apple. Microsoft has also complained about Google while Google has complained about MOSAID, a so-called patent enforcement company which makes money by licensing the use of acquired patents.

PATENT WAR

Patent lawsuits can result in a competitor being barred from selling its products in a jurisdiction while the case in investigated and can yield huge fines.

In August Apple won a major victory in the smartphone patent war when a jury in a California federal court ordered Samsung to pay $1.05 billion in damages.

The court found Samsung had copied critical features of the iPad [1] and iPhone. The Samsung products run on the Android operating system, developed by Google.

On Tuesday, Samsung said it was dropping an attempt to stop the sale of some Apple products in Britain, France [2], Germany, Italy and the Netherlands, though it

did not say it would halt its court battle for compensation.

But Samsung has also had successes. U.S. patent authorities rejected Apple's "pinch-to-zoom" touch screen patent case in an initial ruling on Thursday, and Samsung also won a preliminary invalidation of Apple's "rubber-banding" patent in October.

That patent allows a user with a touch screen to bounce back to the image on the screen if the user goes beyond the edge.

(Editing by Greg Mahlich)

Source URL (retrieved on *07/24/2014 - 12:18pm*):
http://www.ecnmag.com/news/2012/12/european-commission-wades-global-tech-patents-war?qt-video_of_the_day=0

Links:
[1] http://www.reuters.com/subjects/ipad
[2] http://www.reuters.com/places/france