



Defense Policy Claim Study Electronics Industry

IPISC's mission is to promote efficient and effective Claim resolution by building a strong working relationship with the Insured, and by doing all that is possible, within the terms of the policy, to help support the Insured in enforcing and/or defending their Intellectual Property (IP) rights.

The following Claim Study is an actual Claim managed by IPISC's Litigation Management Department, which reimbursed according to the terms of the Defense Policy and specific Claim terms. In an effort to protect the identity of our clients, names have been omitted, except those agreeing to provide testimonials. For additional questions about IPISC's Litigation Management Services and Claims, please contact IPISC.

About

The Insured is an industry leader in providing software and technology platform solutions for workflow automation in the medical services industry. The insured developed and patented an electronic position location and tracking system.

Policy Terms

Policy: IP Defense Cost Reimbursement Policy

Term: 1 year

Policy Limits: \$2,000,000 per claim/ \$5,000,000 per aggregate

Premium: \$74,000

Self Insured Retention (SIR): \$40,000

Copay: 10%

Claim History

August 2010: The Insured was sued for patent infringement by a competitor who alleged the Insured's product was practicing on the claims of their patented technology related to a position location device.

March 2011: In Defense to the charges, the Insured served its preliminary patent invalidity contentions upon the Plaintiff.

May 2011: Both the plaintiff and the Insured attended a mandatory mediation, but no settlement was reached.

July 2011: The insured submitted a Re-examination request of the Plaintiff's patent to the UPSTO. The request was granted and the Insured petitioned the court for a stay pending the results from the USPTO.

October 2011: The District Court judge officially granted the stay. The examiner at the UPSTO rejected the patent claim in dispute finding that the patent claim was anticipated, and further rejected the claim as obvious. At that point, the plaintiff agreed to dismiss the lawsuit.

May 2012: The claim was dismissed with prejudice.

Outcome

Length of litigation: 21 months

Total Defense costs: over \$198,000.

Insured Defense costs paid: \$55,000 (which included the \$40,000 SIR and 10% Copay)

Insurance Company Defense costs paid: \$143,000(+)