

Security solutions in one place.



Fortress-Backed Company Sues Nokia Over Patents

IP-Com decided to sue Nokia after the mobile-phone maker refused to pay \$17.77 billion for patents purchased last year.

By Reuters , [InformationWeek](#)

Jan. 30, 2008

URL: <http://www.informationweek.com/story/showArticle.jhtml?articleID=206100599>



FRANKFURT - A company backed by hedge fund and private equity company Fortress Investment Group has filed a lawsuit against the world's top cell phone maker, Nokia , for alleged patent infringement.

Munich-based IP-Com, of which Fortress owns just under 50%, sued Nokia at the district court of the southern German city of Mannheim at the end of last year, Christoph Schoeller, managing director of IP-Com, said late Wednesday.

He was confirming a pre-released article from Thursday's edition of *Handelsblatt* newspaper.

IP-Com decided to sue Nokia after the mobile-phone maker refused to pay 12 billion euros (\$17.77 billion), which IP-Com had demanded from Nokia for using the patents for mobile communications technology, Schoeller said.

In the lawsuit, IP-Com demands that Nokia stop using the patents IP-Com owns, the managing director said.

"We demand at least 12 billion euros in license fees for the patents which we own and which Nokia uses in its products," Schoeller said.

"We were not able to agree with Nokia about the sum for the license fees and have therefore filed the lawsuit to bar Nokia from using those patents," he said.

A spokesman for Nokia said the Finnish mobile phone maker believes the patents in the suit are invalid and have not been infringed.

"This is far higher than anything we have heard before," the spokesman for the company said. "We will vigorously defend ourselves."

Munich-based IP-Com had bought the patents from Germany's Bosch in 2007, Schoeller said.

Private-equity group Fortress will help IP-Com finance the lawsuit, the managing director said.

A first hearing in the case, which refers to eight families of patents out of a total of 160 IP-Com had bought, took place in January, and the next one is scheduled for April, he said.

Nokia is in the midst of numerous patent disputes with U.S. companies Qualcomm Inc and InterDigital Inc .

Nokia and Qualcomm have been at legal loggerheads since they failed to renew a key technology licensing pact that partly expired in April last year.

Analysts have estimated Nokia pays around \$500 million to Qualcomm annually for patents and wants to cut the sum. (\$1=.6753 EURO) (Reporting by Peter Dinkloh, with additional reporting by Tarmo Virki in Helsinki)

Copyright 2008 Reuters. [Click for Restrictions](#)

As per CMP's agreement with Reuters, this story will be removed from this site after 30 days.



Move

Copyright © 2007 [CMP Media LLC](#)