

Smartflash Wins \$532.9 Million Patent Infringement Verdict Against Apple

Federal jury finds Smartflash patents willfully infringed

TYLER, Texas – A jury in the U.S. District Court for the Eastern District of Texas has awarded Tyler, Texas-based Smartflash LLC a \$532.9 million verdict after finding that technology giant Apple Inc. (NASDAQ: AAPL) infringed a series of Smartflash patents in order to produce and sell Apple's popular iPhone, iPod Touch, and iPad.

The trial focused on three patents from Smartflash's patent portfolio covering particular devices and methods for storing data and providing access to that data through electronic payment systems and use rules. Smartflash claimed that Apple practiced the three patents – U.S. Patent No. 7,334,720; No. 8,118,221; and No. 8,336,772 – without permission in the accused products. Further, the jury found that Apple's infringement was willful.

In addition to awarding a sizable verdict, jurors also found that Apple failed to prove that any claim of the three contested Smartflash patents was invalid. The jury heard testimony that Apple generated \$43.4 billion from sales of devices purchased by people who bought them based on the infringing functionality. The case is Smartflash LLC, et al. v. Apple Inc., No. 6:13-CV-447.

Smartflash was represented by counsel from Dallas' Caldwell Cassady & Curry, including attorneys Bradley Caldwell, Jason Cassady and J. Austin Curry, as well as Johnny Ward of Longview, Texas-based Ward & Smith. Mr. Caldwell presented the opening statement on behalf of Smartflash and conducted the closing arguments with Mr. Johnny Ward.

Smartflash LLC is an innovative technology development and licensing company that owns an expanding portfolio of foundational patents relating to Data Storage and Access Systems Technology. For more information, visit www.smartflashllc.com.