Kodak Relies On Patents To Survive

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Eastman Kodak Company has been experiencing problems for years as its legacy film and camera business has been battered by the advent of digital technology and digital alternatives to traditional analog photography.

Company patents have become an increasing source and strategy for survival as Kodak fights to transition and succeed. A two-pronged approach by Kodak includes the sale of an IP portfolio and litigation to enforce its existing patents.

On the sale front, Kodak is seeking a buyer for more than 1100 patents, a collection of IP that with an estimated value of more than \$3 billion according to one <u>report</u>. It's interesting to note that this portfolio includes many digital imaging patents, which is ironic since Kodak's inability to transition successfully to the digital imaging environment is key to its problems in recent years. Clearly there is a difference between invention and commercialization when it comes to technology

On the patent litigation front, Kodak sued LG Electronics and Samsung Electronics in 2008, claiming infringement of its digital camera technology patents. It also brought a complaint against the companies at the International Trade Commission. Kodak <u>reportedly</u> received hundreds of millions of dollars in settlements from the two South Korean manufacturers.

Currently, Kodak has a case against both Apple and Research In Motion (BlackBerry) at the International Trade Commission related to its patent covering liquid crystal display preview screens. See Kodak's <u>US Patent 6,292,218</u>. According to analysts, that case could yield as much as \$1 billion for Kodak should it win. But the case was recently delayed to permit new testimony and other matters, with a decision now not expected until September 2012.

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