



## **VRINGO ANNOUNCES COURT OF APPEALS INVITES GOOGLE TO RESPOND TO EN BANC PETITION**

October 20, 2014

NEW YORK - October 20, 2014 - Vringo, Inc. (NASDAQ: VRNG), today announces that the U.S. Court of Appeals for the Federal Circuit has invited the appellants, consisting of Google and certain of Google's customers as further described below, to respond to the petition for rehearing en banc that Vringo's wholly-owned subsidiary I/P Engine, Inc. submitted on October 15, 2014. The Federal Circuit indicated that appellants' response is due on or before November 3, 2014. Vringo believes that the deadline is subject to extension by the court.

### **Background on District Court and Court of Appeals Proceedings**

On September 15, 2011, I/P Engine initiated litigation in the United States District Court, Eastern District of Virginia, against AOL Inc., Google, Inc., IAC Search & Media, Inc., Gannett Company, Inc., and Target Corporation (collectively, the "Defendants") for infringement of claims of U.S. Patent Nos. 6,314,420 and 6,775,664, which I/P Engine acquired from Lycos, Inc.

Trial commenced on October 16, 2012, and the case was submitted to the jury on November 1, 2012.

On November 6, 2012, the jury ruled in favor of I/P Engine and against the Defendants. After upholding the validity of the patents-in-suit, and determining that the asserted claims of the patents were infringed by the defendants, the jury found that reasonable royalty damages should be based on a "running royalty," and that the running royalty rate should be 3.5%. The jury also awarded I/P Engine a total of approximately \$30.5 million. On November 20, 2012, the clerk entered the District Court's final judgment.

On January 3, 2014, the District Court ordered that I/P Engine recover an additional sum of \$17.32 million from Defendants for supplemental damages and prejudgment interest.

On January 21, 2014, the District Court ruled that Defendants' alleged design-around is "nothing more than a colorable variation of the system adjudged to infringe," and accordingly I/P Engine "is entitled to ongoing royalties as long as Defendants continue to use the modified system."

On January 28, 2014, the District Court ruled that the appropriate ongoing royalty rate for Defendants' continued infringement of the patents-in-suit that "would reasonably compensate [I/P Engine] for giving up [its] right to exclude yet allow an ongoing willful infringer to make a reasonable profit" is a rate of 6.5% of the 20.9% royalty base previously set by the District Court. The Defendants also filed a separate appeal related to these matters.

On August 15, 2014, the Court of Appeals for the Federal Circuit held that the asserted claims of the patents-in-suit are invalid for obviousness. On August 20, 2014, Vringo announced that I/P Engine would seek *en banc* review of the split panel's decision.

On October 15, 2014, I/P Engine filed a petition for rehearing en banc, in which it argues that the majority's opinion in this case presents important questions of law and is at odds with a series of Supreme Court and Federal Circuit decisions which do not allow appellate judges to disregard a jury's detailed findings under these circumstances. I/P Engine argues that review is particularly appropriate here, where the panel majority not only failed to adopt the proper legal standard, but explicitly rejected it.

Federal Circuit Judge Raymond Chen, who dissented from the majority's opinion, highlighted the opinion's failure "to accord sufficient deference to the jury's findings of fact," and explained that the majority's conclusion "squarely conflicts with the jury's express finding" that the prior art lacked specific elements claimed by the patents in suit. Judge Chen criticized the majority's application of its own "common sense," without deferring to the jury or trial judge: "Where a jury's findings concerning the prior art are supported by substantial evidence, and where a trial court makes its obviousness determination based on those findings, I would exercise caution in wielding our own common sense as part of our review of the judgment." Finally, Judge Chen observed that the majority had disregarded this Court's requirement that "obviousness findings grounded in 'common sense' must contain explicit and clear reasoning providing some rational underpinning why common sense compels a finding of obviousness."

Today, the Federal Circuit invited a response from the Defendants (appellants) to the petition for rehearing en banc.

The court dockets for the foregoing cases are publicly available on the Public Access to Court Electronic Records website, [www.pacer.gov](http://www.pacer.gov), which is operated by the Administrative Office of the U.S. Courts.

### **Background on United States Patent and Trademark Office Proceedings**

On May 24, 2012, Google submitted a request to the USPTO for ex parte reexamination of certain claims of U.S. Patent No. 6,314,420. On September 13, 2013, the USPTO issued a certificate confirming that all of the claims in the '420 patent challenged by Google remain valid and unchanged.

On November 28, 2012, Google submitted a request to the USPTO for ex parte reexamination of certain claims of U.S. Patent No. 6,775,664. On February 8, 2013, Google filed another request to the USPTO for ex parte reexamination of certain claims of the '664 patent. On June 13, 2013, the USPTO merged the two reexamination proceedings regarding the '664 patent. On December 13, 2013, the USPTO issued a certificate confirming that all of the claims in the '664 patent challenged by Google remain valid and unchanged.

On August 19, 2013, Google submitted another request to the USPTO for ex parte reexamination of certain claims of the '420 patent. On July 31, 2014, the USPTO issued a certificate confirming that all of the claims in the '420 patent challenged by Google remain valid and unchanged.

Documents regarding USPTO proceedings are publicly available on the Patent Application Information Retrieval website, <http://portal.uspto.gov>

/pair/PublicPair, which is operated by the USPTO.

### **About Vringo, Inc.**

Vringo, Inc. is engaged in the innovation, development and monetization of intellectual property and mobile technologies. Vringo's intellectual property portfolio consists of over 600 patents and patent applications covering telecom infrastructure, internet search, and mobile technologies. The patents and patent applications have been developed internally, and acquired from third parties. For more information, visit: [www.vringo.com](http://www.vringo.com).

### **Forward-Looking Statements**

This press release includes forward-looking statements, which may be identified by words such as "believes," "expects," "anticipates," "estimates," "projects," "intends," "should," "seeks," "future," "continue," or the negative of such terms, or other comparable terminology. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from the forward-looking statements contained herein. Factors that could cause actual results to differ materially include, but are not limited to: our inability to license and monetize our patents, including the outcome of the litigation against online search firms and other companies; our inability to monetize and recoup our investment with respect to patent assets that we acquire; our inability to develop and introduce new products and/or develop new intellectual property; new legislation, regulations or court rulings related to enforcing patents, that could harm our business and operating results; unexpected trends in the mobile phone and telecom infrastructure industries; our inability to raise additional capital to fund our combined operations and business plan; our inability to maintain the listing of our securities on a major securities exchange; the potential lack of market acceptance of our products; potential competition from other providers and products; our inability to retain key members of our management team; the future success of Infomedia and our ability to receive value from its stock; and other risks and uncertainties and other factors discussed from time to time in our filings with the Securities and Exchange Commission ("SEC"), including our annual report on Form 10-K filed with the SEC on March 10, 2014. Vringo expressly disclaims any obligation to publicly update any forward-looking statements contained herein, whether as a result of new information, future events or otherwise, except as required by law.

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