Apple awarded $539m in US patent case against Samsung

Company penalised for copying patented smartphone features of Apple

- The world's top smartphone rivals have been in court over patents since 2011
- Samsung was found liable in a 2012 trial, but a disagreement over the amount to be paid led to the retrial
- Samsung previously paid Apple $399 million to compensate Apple for infringement of some of the patents at issue in the case

Reuters | California

Apple said it was pleased that the members of the jury "agree that Samsung should pay for copying our products."

YOU KNOW WHAT

Apple told jurors it was entitled to $1 billion in profits Samsung made from selling infringing phones, saying the iPhone's design was crucial to their success

After nearly five days of deliberations, a US jury yesterday said Samsung Electronics Co should pay $539 million to Apple for copying patented smartphone features, according to court documents, bringing a years-long feud between the technology companies into its final stages.

The world's top smartphone rivals have been in court over patents since 2011, when Apple filed a lawsuit alleging Samsung's smartphones and tablets "slavishly" copied its products. Samsung was found liable in a 2012 trial, but a disagreement over the amount to be paid led to the current retrial over damages where arguments ended on May 18.

Samsung previously paid Apple $399 million to compensate Apple for infringement of some of the patents at issue in the case. The jury has been deliberating the case since last week.

Because of that credit, if the verdict is upheld on appeal it will result in Samsung making an additional payment to Apple of nearly $140 million.

In a statement, Apple said it was pleased that the members of the jury "agree that Samsung should pay for copying our products."

"We believe deeply in the value of design," Apple said in its statement. "This case has always been about more than money."

Samsung did not immediately say whether it planned to appeal the verdict but said it was retaining "all options" to contest it.

"Today's decision flies in the face of a unanimous Supreme Court ruling in favour of Samsung on the scope of design patent damages," Samsung said in a statement. "We will consider all options to obtain an outcome that does not hinder creativity and fair competition for all companies and consumers."

The new jury verdict followed a trial in San Jose, California, before Judge Lucy Koh that focused on how much Samsung should pay for infringing Apple patents covering aspects of the iPhone's design. The jury awarded Apple $533.3 million for Samsung's violation of so-called design patents and $5.3 million (roughly Rs. 36 crores) for the violation of so-called utility patents.

Apple this year told jurors it was entitled to $1 billion in profits Samsung made from selling infringing phones, saying the iPhone's design was crucial to their success.

Samsung sought to limit damages to about $28 million, saying it should only pay for profits attributable to the components of its phones that infringed Apple patents. Jurors in the earlier trial awarded $1.05 billion to Apple, which was later reduced.

Samsung paid $548 million to Apple in December 2015, including $399 million for infringement of some of the patents at issue in this week's trial.

Apple's case against Samsung raised the question of whether the total profits from a product that infringes a design patent should be awarded if the patent applies only to a component of the product, said Sarah Burstein, a professor of patent law at the University of Oklahoma.

The verdict appears to be a compromise between Apple and Samsung's positions and does not offer much clarity on that question, said Burstein, who predicted Samsung would appeal it to the US Court of Appeals for the Federal Circuit.

"This decision just means we are going to have more uncertainty," Burstein said.

Tesla settles class action lawsuit over 'dangerous' Autopilot system

The compensation would be offered to customers worldwide

- The lawsuit was filed against the company's 'dangerous' assisted-driving Autopilot system
- Tesla said in a statement it wanted to do right by its customers as part of the proposed deal

Reuters | New York

Tesla has reached an agreement to settle a class action lawsuit with buyers of its Model S and Model X cars who alleged that the company's assisted-driving Autopilot system was "essentially unusable and demonstrably dangerous."

The agreement, announced in a filing in San Jose federal court late Thursday, still has to be approved by U.S. District Judge Beth Labson Freeman.

Tesla said in a statement it wanted to do right by its customers and, as part of the proposed deal, agreed to compensate car owners who purchased the 2.0 version of Autopilot and had to wait longer than expected for the driving features to become active.

"Since rolling out our second generation of Autopilot hardware in October 2016, we have continued to provide software updates that have led to a major improvement in Autopilot functionality," the company said, adding that the settlement would be offered to customers worldwide.

Class members, who paid an extra $5,000 to get the Autopilot upgrade between 2016 and 2017, will receive between $20 and $280 in compensation. Tesla has agreed to place more than $5 million into a settlement fund, which will also cover attorney costs and other fees.

Steve Berman, a lawyer for the car owners, did not immediately respond to a request for comment.

The case was closely watched in the automotive and legal communities, as it was the only known court challenge Tesla faced with regard to its assisted-driving technology.

The company has come under increased scrutiny over its Autopilot system in recent months after two Tesla drivers died in crashes in which Autopilot was engaged. The most recent crash, in March, is being investigated by safety regulators.

India's state-controlled banks' bailout plan stumbles as losses mount

- Thirteen state banks have reported combined losses of $8.6 billion for the year to March - including $6.5 billion in the last quarter
- 21 state lenders hold two-thirds of India's banking assets, accounted for the bulk of record $150 billion of soured loans

Reuters | Mumbai

The State Bank of India (SBI) office building in Kolkata, India

When the Indian government announced a surprise $32 billion bailout plan for the nation's state-controlled banks last October, credit rating firms and the nation's central bank saw it as a huge step to getting the industry back to robust health – and lending more to businesses and consumers.

But their optimism may have been majorly misplaced judging by the latest numbers coming out of the banks. And that may in turn crimp economic growth in Asia's third-largest economy.

Thirteen state banks have reported combined losses of $8.6 billion for the year to March - including $6.5 billion in the last quarter - and their non-performing loans have surged nearly a fifth from end-December levels. Two state banks have reported modest profits and six are still to report. While many of the banks, including top lender State Bank of India (SBI), have said the worst is probably over, they still see one or two more quarters of pain. That means more bad loans getting disclosed and loss provisions shooting up as a central bank order will cause more debt defaulters to be dragged into bankruptcy.

"The government capital is only going to just plug the hole, there is definitely no growth capital," said Udit Kariwala, an analyst at Fitch Ratings' India Ratings & Research. He said smaller state lenders with limited ability to raise capital from the market will have to curtail their lending. The 21 state lenders hold two-thirds of India's banking assets, and accounted for the bulk of the record $150 billion of soured loans in the banking sector last year. The banks, which have been blamed for indiscriminate lending to sectors such as metals and power that turned sour, can still be held responsible for much of the balance sheet carnage.

$2 billion

fraud unearthed at India's second-biggest state lender, Punjab National Bank, less than four months ago, not only left a hole but also underlined poor risk management

A more than $2 billion fraud at India's second-biggest state lender, Punjab National Bank (PNB) disclosed less than four months ago, not only left a hole but also underlined how weak the banks' grip on risk is.

Exacerbating the problems is a move in February by the Reserve Bank of India, the nation's central bank, to withdraw half a dozen loan restructuring schemes that banking experts said were helping banks to avoid disclosing dud loans. It also tightened other rules governing bad loan accounting.

In addition, the RBI this month banned Dena Bank, a loss-making smaller state-run lender, from making any new loans. Days later, Allahabad Bank, another smaller state-run lender, said it had been asked by the regulator not to increase the number of risky loans and costly deposits on its books due to its capital and leverage position

Bank analysts say more state banks could come under similar restrictions aimed at conserving limited capital. The RBI already has 11 state lenders under its "prompt corrective action" framework that restricts them from expanding.

ICICI Bank chief receive SEBI notice over Videocon loans

Mumbai

Chanda Kochhar

India's ICICI Bank Ltd said yesterday the lender and its chief executive, Chanda Kochhar, had received a notice from the Securities and Exchange Board of India (SEBI) seeking responses over alleged non-compliance with certain rules.

The bank said it would respond to the SEBI, adding that the notice received on Thursday was based on information given by the bank and its CEO on earlier queries over their dealings with the Videocon conglomerate.

ICICI, India's third-biggest lender by assets, is battling allegations that Kochhar has allegedly favoured Videocon Group in its lending practices.