IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

	§	
GENBAND US LLC,		
	§	
Plaintiff,	ş	
	§	
V.	§	
	§	
METASWITCH NETWORKS LTD;	§	
METASWITCH NETWORKS CORP.,	§	
	§	
Defendants.	§	
	§	

CASE NO. 2:14-cv-33-JRG

ORDER AND OPINION WITH FINDINGS OF FACT AND CONCLUSIONS OF LAW

On March 29, 2016, the Court held a bench trial and heard evidence in this patent infringement case. Before the Court are several equitable remedies and defenses raised by the Parties, in addition to open questions of law under 35 U.S.C. § 101.

The first set of issues before the Court relate to Genband's request for a permanent injunction. As part of this request, Genband filed a Motion to Alter or Amend the Judgment to Include a Permanent Injunction (Dkt. No. 491.) In response, Metaswitch asserts the equitable defense of laches.

The second set of issues before the Court relate to equitable defenses raised by Metaswitch: the defense of laches (which Metaswitch contends bars Genband from receiving a permanent injunction and recovering pre-suit damages) and unenforceability of several patents due to the equitable doctrines of implied waiver, equitable estoppel, and implied license. The parties have submitted briefs, supporting documents, expert reports, and proposed findings of fact and conclusions of law. The Court, having considered the same, now makes and enters the following findings of fact and conclusions of law.

I.	FINDINGS OF FACT ("FF")			
	A.	The Parties	6	
	B.	The Lawsuit	7	
		 The Patents The Jury Trial The Bench Trial 	10	
	C.	Accused Metaswitch Products	12	
	D.	Genband's Knowledge of Metaswitch and Its Products	13	
		 The Court finds that there was delay The Court finds that the minimal amount of Metaswitch's infringing activity and the circumstances surrounding Genband's CVAS acquisition are sufficient to rebut any presumption or showing of unreasonable delay 		
	E.	Nortel's History and Knowledge of Metaswitch's Products	17	
		1. The Court finds that the minimal amount of Metaswitch's infringing activity and the circumstances surrounding Nortel's bankruptcy are sufficient to rebut any presumption or showing of unreasonable delay	17	
	F.	Prejudice to Metaswitch		
	1.	 Economic Prejudice Evidentiary Prejudice 	20	
	G.	Nortel and Genband's Involvement in CableLabs	26	
		 Agreements between CableLabs and NNCSI CableLabs IPR Agreement	28 30	
	H.	IETF	38	
		1. Metaswitch does not have a license to any asserted claim under the IETF Statement because it failed to show that the asserted claims are essential to an IETF standard	39	
		2. Metaswitch does not have a license to any asserted claim under the IETF Statement because Metaswitch failed to show that Nortel contributed a document to the IETF describing the patented technology.	41	

	3.	Metaswitch does not have a license to any asserted claim under the IETF Statement because Metaswitch failed to show that its accused
		products comply with an IETF standard42
	4.	Metaswitch does not have a license to any asserted claim under the
		IETF Statement because it failed to show that the asserted claims are
		essential to an IETF standard43
	5.	Metaswitch does not have a license to any asserted claim under the
		IETF Statement because Metaswitch failed to show that Nortel
		contributed a document to the IETF describing the patented
		technology47
	6.	Metaswitch does not have a license to any asserted claim under the
		IETF Statement because Metaswitch failed to show that its accused
		products comply with an IETF standard48
I.	ITU.	
	1.	Metaswitch does not have a license to Claim 70 of the '971 Patent
		under the ITU Declarations because it failed to show that Nortel
		contributed its patented technology to the relevant ITU
		Recommendations
	2.	Metaswitch does not have a license to Claim 70 of the '971 Patent
		under the ITU Declarations because it failed to prove that its
		accused products comply with the relevant ITU Recommendations52
	3.	Metaswitch does not have a license to Claim 70 of the '971 Patent
		under the ITU Declarations because it failed to prove that the claim
		is essential to the relevant ITU Recommendations53
CON	ICLUS	IONS OF LAW ("CL")
A.	Perm	anent Injunction: Availability55
	4.	Legal Standard
	5.	Irreparable Harm
B.	Defe	nse of Laches
D.		
	1. 2.	Legal Standard
		Analysis61
C.	Equi	table Defense: Implied Waiver
	1.	Applicable Law62
	2.	The Court concludes that Metaswitch has not proven by clear and
		convincing evidence that implied waiver bars Genband's damages63
D.	Equi	table Defense: Equitable Estoppel64
	1.	Applicable Law64

II.

	2.	The Court concludes that Metaswitch has not proven by clear and convincing evidence that equitable estoppel bars Genband's	
		damages	66
E.	Equit	able Defense: Implied License	68
	1.	Applicable Law	68
	2.	The Court concludes that Metaswitch has not proven by clear and	
		convincing evidence that implied license bars Genband's damages	68
F.	Paten	t Eligible Subject Matter under 35 U.S.C. § 101	69
	1.	Legal Standard	69
	2.	'561 Patent Asserted Claims are Patent Eligible	72
	3.	'658 Patent Asserted Claims are Patent Eligible	73

DOCKET A L A R M



Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.