

PRESS RELEASE

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Jury awards The Webb Law Firm client, Newegg Inc., a complete defense verdict and rare patent invalidation

PITTSBURGH, PA – The Webb Law Firm announced today it was successful in defending its client, Newegg, Inc., the second-largest online-only retailer, from claims of patent infringement on three basic e-commerce functionalities. Alcatel-Lucent USA, Inc., a global communications company, accused both Newegg Inc. and Overstock.com, Inc. of violating U.S. Patent No. 5,649,131 (the ‘131 patent) relating to text boxes, drop down menus and similar functionalities, U.S. Patent No. 5,623,656, relating to the use of error messages, and U.S. Patent No. 5,404,507, directed to search functionality. The original defendants also included Amazon, QVC, Sears, K-Mart, Lands’ End, Intuit, and Zappos.

The defense argued that the three patents were not infringed, and that the ‘131 patent was invalid and never should have been issued by the U.S. Patent and Trademark Office because it was not original due to prior inventions. The jury found non-infringement of all three patents and invalidated Alcatel’s ‘131 patent as anticipated and obvious. The verdict was handed down on Friday, October 14, 2011 after a jury trial before the Honorable Leonard Davis in Tyler, Texas in Civil Action No. 6:09-CV-0422-LED.

Newegg Inc.’s General Counsel, Lee Cheng, issued the following statement:

“Special thanks and recognition are due to Kent Baldauf, Jr. and his team at The Webb Law Firm for their outstanding case preparation and presentation and to Ed Reines of the Weil Gotshal firm for his attentive guidance on trial and appellate issues. They were spectacular. We would also like to thank our friends at Overstock.com and their talented legal team at the Bracewell firm for our effective partnership.”

The Webb Law Firm's litigation team on the Newegg case was led by Kent Baldauf, Jr., and included David Hanson, Bryan Clark, James Bosco, Anthony Brooks, and Steven Johnston.

The Webb Law Firm has been helping innovators safeguard their discoveries, advance their technologies and achieve historic milestones since 1845. The Firm's patent attorneys hold dual degrees in law and sciences and combine their legal expertise with an in-depth personal understanding of business and industry. The Webb Law Firm is located at One Gateway Center in downtown Pittsburgh.

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