

Press Releases

O'Melveny Obtains Federal Circuit Victory For You Technology Inc.

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SAN FRANCISCO, CA – July 17, 2009 – O'Melveny lawyers recently obtained a complete victory in the Federal Circuit, putting an end to a long-running patent infringement suit brought against You Technology Inc. At issue was the ownership of fifteen valuable patents related to tokenless biometric computer systems. The inventor's company and an operating company he founded disputed whether or not the inventor had transferred ownership of the patents to the operating company. The United States District Court for the Northern District of California ruled that the inventor had transferred the patents and granted summary judgment.

After both companies filed for bankruptcy, You Technology's predecessor acquired the ownership interests of the operating company. With this acquisition and others, You Technology has assembled a very strong portfolio of 67 issued patents covering the use of biometric financial and marketing transactions within the US and most major geographies worldwide. You Technology then hired O'Melveny to defend the summary judgment verdict in the Federal Circuit.

The appeal raised novel questions involving the effect of bankruptcy proceedings on appellate jurisdiction, the finality of a judgment while a motion for terminating sanctions is pending, the ability of a new patent owner to continue existing litigation, and the resolution of a complex

chain of ownership transfers. In a decision issued one day after oral arguments, the Federal Circuit affirmed the summary judgment ruling, thereby establishing that You Technology owns the patents. The case is *Excel Innovations, Inc. v. You Technology Inc.*, No. 2008-1599.

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