

## Gabriel Technologies Corp. et al. v. Qualcomm Inc. et al

Qualcomm Incorporated is a global semiconductor company that designs, manufactures and licenses digital wireless telecommunications technologies. Founded in 1985, it has grown to become one of the most successful public companies in the world and operates out of more than 150 locations worldwide.

In 2000, Qualcomm acquired SnapTrack Inc., the inventor of the assisted-GPS system for cell phones branded as gpsOne. SnapTrack held patents describing how a cell phone can acquire a GPS signal rapidly using timing information sent from the base station. This reduces the search time for geolocation from minutes to roughly one second. At the time of the acquisition, SnapTrack had licensed its technology to a company called Locate Networks, Inc.

### **\$1 Billion Dispute Centers on GPS Technology**

In 2009, Gabriel Technologies, which had acquired Locate Networks' assets, sued Qualcomm in the U.S. District Court for the Southern District of California over the SnapTrack technology. The complaint alleged that SnapTrack had appropriated trade secrets from Locate Networks and had improperly included those trade secrets in various SnapTrack and Qualcomm patent applications.

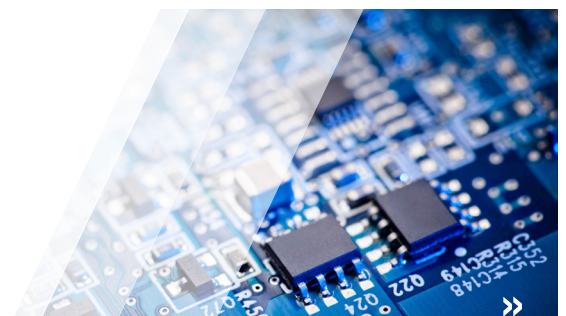
The suit sought damages of more than \$1 billion and correction of inventorship of almost 100 patents held by Qualcomm throughout the world. Gabriel Technologies had raised more than \$10 million to fund the case by promoting it as an investment opportunity and selling interest in its outcome to numerous investors.

### **Charting a Path to Victory**

Over the span of four years, Cooley's attorneys methodically dismantled the case one piece at a time. First, the litigation team obtained dismissal of multiple claims at the pleading stage. Next, they secured a summary judgment that two other claims, including the trade secrets claim, were barred by the statute of limitations.

### **RESULTS**

- Qualcomm prevailed on all counts after Cooley's attorneys methodically dismantled the case one piece at a time.
- The court issued an extraordinary order, finding that the case was objectively baseless and brought in subjective bad faith. Qualcomm was awarded \$12.4 million in fees and costs.
- Qualcomm was awarded sanctions of more than \$64,000 against Gabriel Technologies' local counsel for pursuing claims without any evidentiary support.





The parties then conducted expedited discovery on the three remaining claims, which included a claim for correction of inventorship. The Cooley team successfully discredited all of the supposed “inventors” presented in the case and was able to show that the suit was baseless.

Based on the merits of Cooley’s arguments, the court concluded that the plaintiffs had no evidence to support their claims. As such, the court entered summary judgment in Qualcomm’s favor on all counts.

### **Finding Fees and Sanctions**

Following the successful ruling, the Cooley team moved for attorneys fees on the grounds that the court should find the case “exceptional” under the Patent Act and that it was brought in bad faith under the Trade Secrets Act.

The court issued an extraordinary order, finding that the case was “objectively baseless” and brought in subjective bad faith. Qualcomm was awarded the full amount requested – \$12.4 million in fees and costs.

The motion also asked the court to impose sanctions on the lawyers who prosecuted the action against Qualcomm. The court found that Gabriel Technologies’ local counsel had violated Rule 11 by pursuing claims without any evidentiary support. The court awarded Qualcomm sanctions of more than \$64,000 against the local counsel — the total amount the firm had billed throughout the entire case.



## THE COOLEY TEAM



**Steven M. Strauss**  
+1 858 550 6006  
sms@cooley.com



**Timothy S. Teter**  
+1 650 843 5275  
teterts@cooley.com



**Jeffrey S. Karr**  
+1 650 843 5258  
jkarr@cooley.com