



**SMARTPHONES AND TABLETS PUSH INTERNATIONAL PATENT APPLICATIONS TO RECORD
HIGH AS 'OPEN PATENT WAR' BREAKS OUT**

Consumer electronics giants aggressively expanding intellectual property

London, UK, JANUARY 28, 2013 – International patent applications for computer products have jumped sharply to an all-time high as 'open patent war' breaks out in the hi-tech sector, according to figures from Sweet & Maxwell, the leading legal information provider.

Sweet & Maxwell says that international patent applications for computer products under the Patent Co-operation Treaty (PCT) jumped 19% from 11,974 in 2011 to a record high of 14,205 in 2012.

Sweet & Maxwell explains that the Patent Co-operation Treaty (PCT) allows companies to apply for patents in each of the 146 signatory states simultaneously, and is used by almost all major electronics manufacturers.

The sudden surge in patent applications for computer products reflects the outbreak of 'open patent war' in the hi-tech sector, says Gwilym Roberts, Partner at Kilburn & Strode LLP, the specialist intellectual property law firm, and author of *A Practical Guide to Drafting Patents*, published by Sweet & Maxwell.

"Virtually every major company in the consumer electronics market is now involved in intellectual property litigation with at least one of its competitors," says Roberts. "Everyone involved is now arming themselves with a war chest of patents."

"The profitability of the smartphone and tablet markets has been a real catalyst for the increase in both patent filing and litigation by these electronics giants over the last three years. This doesn't show any sign of slowing down significantly, as a number of companies are stepping up their patent activity in response to the increase in litigation."

"The value of a comprehensive portfolio of patents is enormous," adds Gwilym Roberts. "Apple won over \$1 billion in damages from Samsung in a lawsuit over smartphones last year, and its aggressive approach to pursuing patents on its products was a huge contributor to that victory."

"A company with a strong patent portfolio has the option of pursuing increased market share by filing lawsuits against its competitors, and trying to force their products off the market. Even if it isn't actively using that tactic currently, that's a valuable option to have in such a fiercely-contested sector."

'Wild West land grab' in smartphone and tablet patents

Sweet & Maxwell says that the development of new technologies in smartphones, such as foldable screens and 3D hologram projection, are opening up vast new areas for electronics companies to patent.

"The speed of progress in areas like smartphone and tablet hardware and software means there's a wild west-style land grab going on," says Gwilym Roberts. "New advancements are being made on a regular basis, and each one opens up whole new areas of intellectual property to be exploited. Companies that get first-mover advantage in patents for these new areas can put themselves in a position of power, long before these products are even sold."



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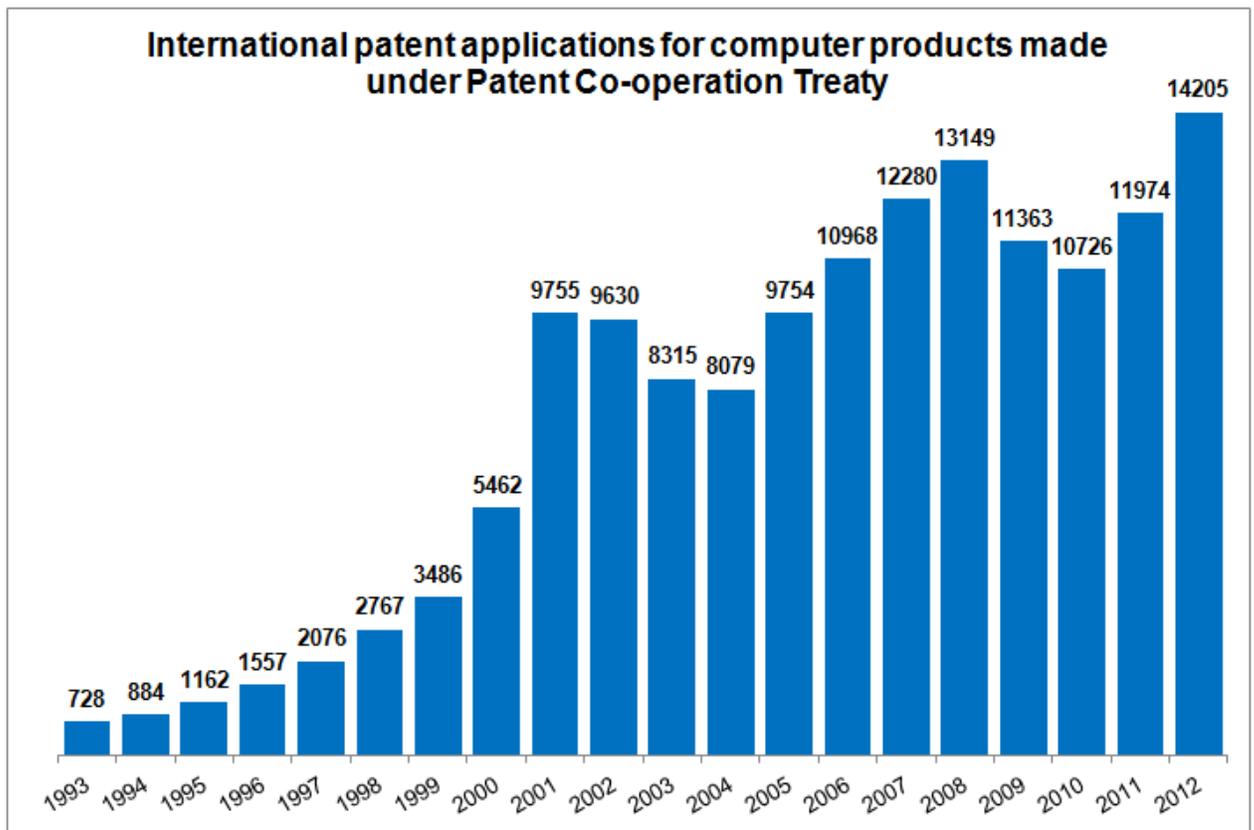
"There are already a huge number of patents on developments that are still months or years away from being in the hands of consumers."

Chinese tech giants becoming 'prolific patent filers'

Sweet & Maxwell says that that a newly aggressive approach to intellectual property by some companies is a key driver of the increase in patent applications filed.

"Some companies, like Panasonic, have been very active in patents for a decade," says Roberts. "In the last three years, however, Chinese electronics companies like Huawei and ZTE have increased their patent activity enormously. ZTE is the single biggest filer of international patent applications over the last three years."

"Consumer electronics companies worldwide are now aware that if they take a passive approach to their intellectual property, they run the risk of being squeezed out by companies that are more aggressive in expanding their patent portfolios."



Notes to Editors:



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