

## Jury Clears SMR In Car Mirror Patent Infringement Suit

By Carolyn Muyskens

*Law360 (December 15, 2022, 8:55 PM EST)* -- A Michigan federal jury on Thursday cleared auto supplier SMR USA of liability for infringing rival Magna's driver's side car mirror patents, instead finding that the asserted patent claims were invalid as obvious, and rejecting Magna's bid for \$24 million in damages.

Over the course of the weeklong trial in Grand Rapids, Magna International had sought to prove that SMR and three foreign affiliates caused automakers Ford and Fiat to infringe Magna's patents for a car mirror assembly that eliminates the blind spot. Magna had argued SMR supplied the mirrors for cars that were later imported into the U.S. for sale.

But after roughly four hours of deliberations, the jury was persuaded by SMR's case that Magna's invention was not groundbreaking when compared with a trailer-towing mirror made for a Dodge Ram model that was on the market first. That earlier mirror used a similar design involving an auxiliary "spotter" mirror to help drivers see into the blind spot.

"SMR is grateful to the jury for their time and careful consideration in finding all patents invalid because the invention is obvious. SMR is an innovator and independently designed its blind-zone-eliminating mirror," said SMR attorney Maximilian A. Grant of Latham & Watkins LLP in a statement emailed to Law360.

While the jury deliberated, U.S. District Judge Jane M. Beckering presided over a bench trial on SMR's separate claim that Magna deceived the U.S. Patent and Trademark Office during the patent prosecution.

In the bench trial, SMR pressed Magna Mirrors' Chief Technical Officer Niall Lynam on whether he misled the patent examiner about the dates that aspects of the invention were conceived of and reduced to practice in order to get around a publication that the patent office initially flagged as anticipating the patent claims. SMR homed in on statements Lynam made in declarations to the USPTO as evidence of alleged inequitable conduct.

SMR also said Lynam knew about the Dodge Ram mirror and should have disclosed it to the patent office as prior art.

The bench trial wrapped up Thursday afternoon after the jury verdict was delivered, and Judge Beckering is expected to issue her verdict on that matter later.

During the jury trial, Magna argued the trailer-towing mirror was a fundamentally different type of mirror and therefore irrelevant. Magna said it had made multiple innovations not present in the Dodge Ram mirror in its design for the WideVue line of mirrors, which were the mirrors at issue in the trial.

SMR's counsel hammered Magna in closing arguments for failing to present technical evidence comparing the two mirrors. SMR had had its experts present evidence from field testing to show the similarities in the field of view created by each mirror.

SMR also told the jury it invented the blind-zone mirrors independently of Magna and was first to market them after it was asked to develop them by automakers in the late 2000s.

Magna maintained to the jury that SMR's independent development was irrelevant because Magna had the priority date of 2003 on its invention. Magna had hoped to recover a decade of damages for infringing conduct because SMR was first notified of Magna's patents for the blind-zone mirrors in 2012, yet it continued to produce and sell its version of the mirrors. Prior to trial, a judge had agreed with Magna that SMR's products literally infringed Magna's asserted claims.

However, the jury was not convinced that SMR companies induced Ford and Fiat to infringe through their U.S. sales of vehicles outfitted with the mirrors, clearing all four SMR affiliates of the active inducement charges before even reaching their invalidity verdict.

Magna had been seeking \$24 million in damages for sales it says it lost due to SMR's mirrors being on the market.

A lawyer for Magna declined to comment on the verdict, and representatives for the companies could not be reached Thursday afternoon.

The patents-in-suit are U.S. Patent Nos. 7,934,843; 8,267,534; 8,591,047; 8,783,882; and 9,694,750.

Magna Mirrors of America Inc. is represented by Thomas D. Rein, Stephanie P. Koh, Nathaniel C. Love, Leif E. Peterson II and Julia G. Tabat of Sidley Austin LLP and David J. Gass, D. Andrew Portinga and Stephen James van Stempvoort of Miller Johnson PLC.

SMR is represented by Maximilian A. Grant, Charles H. Sanders, Terra Reynolds, Dale Chang, Gregory Sobolski, Brett M. Sandford and Thomas W. Yeh of Latham & Watkins LLP and Douglas Dozeman and R. Michael Azzi of Warner Norcross & Judd LLP.

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