



Internet Brands Achieves Jury Verdict in Its Favor After Four-Year Battle to Protect Its Intellectual Property

LOS ANGELES, August 3, 2012 – Internet Brands has achieved another victory in its ongoing commitment to protecting its intellectual property. On June 15, 2012, after a five-day trial in the Eastern District of Texas, the jury found in favor of Internet Brands. Internet Brands accused Versata Software, Inc., f/k/a Trilogy Software, Inc., of misappropriation of trade secrets and breach of contract, while Versata accused Internet Brands of, among other things, patent infringement. The jury unanimously determined that Internet Brands did not violate any of Versata's patents at issue and that Versata misappropriated Internet Brands' trade secrets. The jury awarded Internet Brands more than \$2 million dollars in damages, and Internet Brands is entitled to seek recovery of its court costs and attorney's fees.

About Internet Brands

Headquartered in El Segundo, California, Internet Brands is a new media company that operates online media, community, and e-commerce websites in vertical markets. The company also develops and licenses Internet software and social media applications. In its Consumer Internet Division, Internet Brands owns and operates more than 200 principal websites in seven categories. The company currently attracts, on average, more than 100 million unique visitors per month, with 97 percent of the network's audience originating from organic, non-paid sources.

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Contact Internet Brands

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**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

VERSATA SOFTWARE, INC., <i>f/k/a</i>	§	
TRILOGY SOFTWARE, INC.; and	§	
VERSATA DEVELOPMENT GROUP, INC.,	§	
<i>f/k/a</i> TRILOGY DEVELOPMENT GROUP,	§	
INC.	§	
	§	CIVIL ACTION No. 2:08-cv-313-WCB
Plaintiffs,	§	
	§	
v.	§	
	§	
INTERNET BRANDS, INC., <i>f/k/a</i>	§	
CARSDIRECT.COM, INC.,	§	
AUTODATA SOLUTIONS COMPANY,	§	
and AUTODATA SOLUTIONS, INC.	§	
	§	
Defendants.	§	

FINAL JUDGMENT

This action was tried to a jury with the undersigned presiding, and the jury has rendered a verdict on the legal claims and counterclaims submitted to it. The Court conducted a bench trial during the same period on the equitable counterclaim of inequitable conduct and has made findings of fact and conclusions of law as to that counterclaim.

In consideration thereof, it is ORDERED that:

- The defendants are found not to infringe claims 1, 10, 13, 14, 17-20, 22, and 23 of U.S. Patent No. 7,130,821 (“the ’821 patent”).
- Claims 1, 10, 13, 14, 17-20, 22, and 23 of the ’821 patent are found to be invalid.
- The plaintiffs are found to have misappropriated the defendants’ trade secrets. The defendants are awarded \$2,000,000 in damages for the misappropriation.
- The plaintiffs are found to have breached their contractual obligations to the defendants. The defendants are awarded \$1 in damages for the breach.

Accordingly, it is ORDERED, ADJUDGED, AND DECREED that the plaintiffs take nothing from the defendants and that the defendants take \$2,000,001 from the plaintiffs.

It is further ORDERED, ADJUDGED, AND DECREED that the '821 patent is not unenforceable because of inequitable conduct.

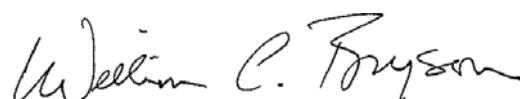
It is further ORDERED, ADJUDGED, AND DECREED that costs of court are taxed in the following way. The defendants were the prevailing parties on their misappropriation and breach of contract counterclaims as well as the claims of patent infringement and invalidity. The plaintiffs were the prevailing parties on the defendants' counterclaim of inequitable conduct. Accordingly, the plaintiffs are taxed two-thirds of the defendants' court costs.

In preparing a bill of costs, the parties are advised to consult, as one point of authority, Chief Judge Davis's Standing Order Regarding Bills of Costs, which is available on the Court's website. To the extent questions arise that are not fully covered by that standing order, the parties should consult Chief Judge Davis's recent Order on Bill of Costs in the case of Eolas Technologies Inc. v. Adobe Systems, Inc., No. 6:09-cv-446 (E.D. Tex. July 19, 2012), ECF No. 1416. The Court will regard those two orders as important precedents in making its costs determination.

All pending motions not previously resolved are DENIED.

It is so ORDERED.

SIGNED this 30th day of July, 2012.



WILLIAM C. BRYSON
UNITED STATES CIRCUIT JUDGE