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WilmerHale Secures \$40M Win for Akamai Technologies Against Limelight Networks at Delaware Supreme Court

OCTOBER 13, 2017

On October 12, 2017, WilmerHale earned a significant victory for Akamai Technologies, Inc. when the Delaware Supreme Court affirmed the Delaware Chancery Court's dismissal of a lawsuit brought by Limelight Networks, Inc. that asserted breach of a settlement agreement between the parties, insuring that Akamai will continue to receive the remaining \$40 million due in license payments.

After a decade of patent litigation between the two content delivery network providers, which included multiple appeals, the Federal Circuit ordered the reinstatement of a jury's original verdict that Limelight had infringed Akamai's patent, and the parties settled in August 2016. While that settlement agreement was being negotiated, the parties sued each other on additional patents in the Eastern District of Virginia.

On January 17, 2017, Akamai received a purported termination letter from Limelight stating that Akamai had breached the non-use provision of their settlement terms and that the cure period had passed—meaning that Limelight would not be paying the remaining \$40 million of licensing payments it owed Akamai. At the same time, Limelight filed a complaint seeking declaratory judgment of termination in the Chancery Court. The Chancery Court granted Akamai's motion to dismiss the complaint.

On October 11, Michael Summersgill argued before a three-judge panel of the Delaware Supreme Court that included Chief Justice Strine. Summersgill argued that Limelight had failed to follow the settlement agreement's notice provision and instead attempted to ambush Akamai with a surprise termination prohibited by the agreement. The next day, the Supreme Court summarily affirmed the Chancery Court's decision dismissing the complaint in a one-line order.

The WilmerHale team was led by Michael Summersgill and included Mark Fleming, Cindy Vreeland, Mindy Sooter, Heath Brooks, Arthur Coviello and Rebecca Bact.

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