

ArrivalStar Settlement with APTA What VTCLI Project Staff Need to Know

The American Public Transportation Association (APTA) has reached a settlement of its lawsuit on behalf of its member public transit providers against ArrivalStar. ArrivalStar claims that it holds the patents for real-time vehicle arrival software and that any use of such software without the agreement of ArrivalStar violates its patent. APTA's initial filing in federal court argued that ArrivalStar has been making nuisance patent claims concerning real-time vehicle information against transit agencies and requesting money as settlement to make the claims go away, essentially betting that settlement will be cheaper for the agencies than fighting lawsuits.

This legal situation only affects VTCLI and other projects that are providing real-time arrival vehicle information.

What does this settlement do?

APTA's press release states, "ArrivalStar has agreed not to make any future patent infringement claims against any of APTA's public transportation agency members or any vendors providing goods and services to APTA public transportation agency members." For APTA members and some vendors, therefore, the settlement takes away the threat of successful litigation against them. APTA members can still be sued, but they have a complete and, presumably, quick defense.

What does this settlement not do?

This settlement does not cover the activities of any entity or person beyond ArrivalStar – other patent assertion entities - that engage in bothersome litigation for the sole purpose of making nuisance patent claims. The settlement also does not protect transportation-related app developers, one-call operations, or transit agencies and transportation providers that were not APTA members at the time of the settlement.

What if my agency is not a member of APTA?

Be aware that your transit agency or software vendor may already have reached a settlement with ArrivalStar, so that there is no concern for your VTCLI project.

Do not panic if your agency is not an APTA member and no other settlement has been reached. ArrivalStar has entered into settlement agreements with some software companies that set up real-time vehicle systems and many of the largest transit agencies. If your vendor has already reached an agreement with ArrivalStar, that agreement should protect the vendor's clients. It is a good idea to contact the vendor and ask specifically about this.

For any projects that involve real-time arrival vehicle information, staff should contact their executive staff first, and then the software vendor to ask whether this settlement or other settlement agreements involve your project.

If ArrivalStar or other patent assertion entity or private person does bring a lawsuit against your agency, the same arguments that APTA raised in its lawsuit against ArrivalStar can be used to prevail. APTA put forth three legal arguments: (1) The 11th

Amendment to the Constitution bars any claim against a state, which APTA argued covered some transit agencies; (2) The patent claims are invalid and unenforceable; and (3) Even if any patent claims are valid, the patent assertion misconduct renders the company ineligible to pursue its claims. Of course, a lawyer should research the issues and determine the best strategy in any individual case.

More information

[APTA's announcement of the lawsuit](#)

[APTA's complaint in federal court](#)

[APTA's press release announcing the settlement](#)