

**United States Court of Appeals  
for the Federal Circuit**

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**POWER INTEGRATIONS, INC.,**  
*Plaintiff-Cross-Appellant*

v.

**FAIRCHILD SEMICONDUCTOR  
INTERNATIONAL, INC., FAIRCHILD  
SEMICONDUCTOR CORPORATION,  
FAIRCHILD (TAIWAN) CORPORATION,**  
*Defendants-Appellants*

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2015-1329, 2015-1388

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Appeals from the United States District Court for the District of Delaware in No. 1:08-cv-00309-LPS, Chief Judge Leonard P. Stark.

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Decided: December 12, 2016

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FRANK E. SCHERKENBACH, Fish & Richardson, P.C., Boston, MA, argued for plaintiff-cross-appellant. Also represented by CRAIG E. COUNTRYMAN, San Diego, CA; MICHAEL R. HEADLEY, HOWARD G. POLLACK, Redwood City, CA.

BLAIR M. JACOBS, Paul Hastings LLP, Washington, DC, argued for defendants-appellants. Also represented

by STEPHEN B. KINNAIRD, CHRISTINA A. ONDRICK, PATRICK J. STAFFORD.

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Before PROST, *Chief Judge*, SCHALL, and CHEN, *Circuit Judges*.

CHEN, *Circuit Judge*.

This appeal follows a ten-day jury trial in the District of Delaware that resulted in verdicts that (1) Power Integrations Inc.'s U.S. Patent Nos. 7,110,270 and 7,834,605 were neither anticipated nor obvious and were not directly or indirectly infringed by Fairchild Semiconductor International, Inc., Fairchild Semiconductor Corporation, and Fairchild (Taiwan) Corporation (collectively, Fairchild); (2) Power Integrations' U.S. Patent Nos. 6,107,851 and 6,249,876 were not anticipated and were directly and indirectly infringed by Fairchild; (3) Fairchild's U.S. Patent No. 7,259,972 was not obvious, was infringed by Power Integrations under the doctrine of equivalents, but was not literally infringed or indirectly infringed by Power Integrations; and (4) Fairchild's U.S. Patent No. 7,352,595 was not anticipated and was not infringed by Power Integrations. Following trial, the district court granted Power Integrations' motion for judgment as a matter of law (JMOL) that Fairchild directly infringed the '605 patent, but denied the parties' other JMOL motions and motions for a new trial. *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, 935 F. Supp. 2d 747 (D. Del. 2013) (*JMOL Decision*). The court subsequently granted Power Integrations' motion for a permanent injunction and denied Fairchild's motion for a permanent injunction. *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, No. 1:08-cv-00309-LPS, 2014 WL 2960035 (D. Del. June 30, 2014) (*Permanent Injunction Order*); *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, No. 1:08-cv-00309-LPS (D. Del. June 16, 2014) (Dkt. No. 790). The district

court entered final judgment as to liability on January 13, 2015. *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, No. 1:08-cv-00309-LPS (D. Del. Jan. 13, 2015) (Dkt. No. 819). All damages claims were bifurcated by the district court and remain pending.

Fairchild appeals and Power Integrations cross-appeals various decisions from the district court.<sup>1</sup> We hold as follows:

- The jury's verdict that the asserted claims of the '876 patent were not anticipated by Martin<sup>2</sup> or Wang<sup>3</sup> is *affirmed*.
- Because the district court's jury instruction incorrectly stated the law on inducement, the jury's verdict that Fairchild induced infringement of the asserted claims of the '876 and '851 patents is *vacated*.
- The jury's verdict that the asserted claims of the '605 patent were not anticipated by Maige<sup>4</sup> is *reversed*.
- The district court's construction that the asserted claims of the '972 patent require "sampling a voltage from the auxiliary winding of the transformer when the transformer is discharging" is *affirmed*.

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<sup>1</sup> Neither party appeals the jury's verdicts on the '270 and '595 patents.

<sup>2</sup> U.S. Patent No. 4,638,417.

<sup>3</sup> Andrew C. Wang and Seth R. Sanders, Programmed Pulsewidth Modulated Waveforms for Electromagnetic Interference Mitigation in DC-DC Converters, *IEEE Transactions on Power Electronics*, Vol. 8, No. 4 (Oct. 1993).

<sup>4</sup> U.S. Patent No. 4,763,238.

- The jury's verdict that the asserted claims of the '972 patent would not have been obvious in view of Majid<sup>5</sup> is *affirmed*.
- The jury's verdict that Power Integrations infringed the asserted claims of the '972 patent under the doctrine of equivalents is *reversed*.
- The district court's grant of Power Integrations' motion for a permanent injunction is *vacated* in view of the above holdings.
- The district court's denial of Fairchild's motion for a permanent injunction is *moot* in view of the above holdings.

In sum, we *affirm-in-part*, *reverse-in-part*, and *vacate-in-part* the final judgment entered by the district court and *remand* for further proceedings.

#### BACKGROUND

Power Integrations and Fairchild are direct competitors in the power supply controller chip market. They have engaged in a long-running and multi-fronted patent dispute involving actions in at least the United States District Courts for the District of Delaware<sup>6</sup> and the Northern District of California,<sup>7</sup> as well as the United States Patent and Trademark Office Patent Trial and

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<sup>5</sup> U.S. Patent No. 5,956,242.

<sup>6</sup> See *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, No. 1:08-cv-00309-LPS (D. Del. filed May 23, 2008); *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, No. 1:04-cv-01371-LPS (D. Del. filed Oct. 20, 2004).

<sup>7</sup> See *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, No. 3:09-cv-05235-MMC (N.D. Cal. filed Nov. 4, 2009).

Appeal Board.<sup>8</sup> We are not unfamiliar with the parties or their disputes. In fact, we have heard appeals of at least two decisions that involved two of the very patents at issue here. *See Power Integrations, Inc. v. Lee*, 797 F.3d 1318 (Fed. Cir. 2015) (vacating Patent Board's decision that claims of the '876 patent were unpatentable as anticipated); *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, 711 F.3d 1348 (Fed. Cir. 2013) (reviewing jury verdict on '851 and '876 patents, among others).

Power supplies are ubiquitous in modern society. Anyone who has purchased an electronic device in recent times—whether a cellular phone, computer, television, or the like—is familiar with the different cords and plugs provided to power and/or charge those devices. Somewhere in the cord/plug combination resides a power supply. The power supply is often integrated into the plug itself, as is the case with many cellular phones. In other configurations, the power supply resides in a standalone module, as with many laptop computers.



**Figure 1:** Power supply



**Figure 2:** Power supply as

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<sup>8</sup> *See Power Integrations, Inc. v. Fairchild Semiconductor Corp.*, No. 2015-00769, 2015 WL 9595648 (PTAB Dec. 31, 2015); *see also Ex parte Power Integrations, Inc.*, No. 2010-011021, 2010 WL 5244756 (BPAI Dec. 22, 2010).

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