

## Extraterritorial Patent Damages

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This is a brief update on developing law.

On October 4, 2018, the district court certified an interlocutory appeal to the Federal Circuit, pursuant to 28 USC 1292(b), in *Power Integrations, Inc. v. Fairchild Semiconductor International, Inc.*, to decide whether “the Supreme Court's *WesternGeco II* decision implicitly overruled the Federal Circuit's *Power Integrations* opinion” regarding extraterritorial 271(a) direct infringement.

28 USC 1292(b) reads:

(b) When a district judge, in making in a civil action an order not otherwise appealable under this section, shall be of the opinion that such order involves a controlling question of law as to which there is substantial ground for difference of opinion and that an immediate appeal from the order may materially advance the ultimate termination of the litigation, he shall so state in writing in such order. The Court of Appeals which would have jurisdiction of an appeal of such action may thereupon, in its discretion, permit an appeal to be taken from such order, if application is made to it within ten days after the entry of the order: Provided, however, That application for an appeal hereunder shall not stay proceedings in the district court unless the district judge or the Court of Appeals or a judge thereof shall so order.

The district court's Memorandum Order stated:

On appeal, the Court of Appeals for the Federal Circuit held that this Court had correctly decided to reduce damages because the jury's damages award was contrary to law for being based on worldwide sales. \*\*\* In the Court's view, the Supreme Court's *WesternGeco II* decision implicitly overruled the Federal Circuit's *Power Integrations* opinion. [Footnote 1 omitted.] The Supreme Court's analysis of the patent damages statute, § 284, has equal applicability to the direct infringement allegations pending here, as governed by § 271(a), as it did to the supplying a component infringement claims at issue in *WesternGeco II*, which were governed by § 271(f)(2). \*\*\* **It logically follows that when the Supreme Court expressly overruled *WesternGeco I* it also implicitly overruled *Power Integrations*.** \*\*\* Rather than try this case based on this Court's conclusion on implicit overruling - and risking, if wrong, two additional trials instead of just one more - it would materially advance the conclusion of this litigation to **ask the Federal Circuit to tell us if, in light of *WesternGeco II*, the trial should be limited to U.S. damages or should, instead, consider worldwide damages.** \*\*\* ORDERED that the Court CERTIFIES this Order for interlocutory review by the Court of Appeals for the Federal Circuit. [*Power Integrations, Inc. v. Fairchild Semiconductor International, Inc.*, 04-1371-LPS (D. Del. 10/4/2018).]

A copy of the decision is available here: [Extraterritorial Patent Damages](#)