UNITED STATES DISTRICT COURT DISTRICT OF DELAWARE

LEONARD P. STARK
UNITED STATES DISTRICT JUDGE

U.S. COURTHOUSE 844 N. KING STREET UNIT 26 WILMINGTON, DE 19801-3556

July 10, 2015

William J. Marsden, Jr. Fish & Richardson P.C. 222 Delaware Avenue 17th Floor P.O. Box 1114 Wilmington, DE 19899 John G. Day Ashby & Geddes 500 Delaware Avenue 8th Floor P.O. Box 1150 Wilmington, DE 19899

Re: Fairchild Semiconductor v. Power Integrations C.A. No. 12-540-LPS

Dear Counsel:

I have reviewed the status reports you filed on June 18 (D.I. 411, 412) and the subsequent letters regarding entry of final judgment with respect to the '366 patent (D.I. 413, 414). Having done so, and having presided over the two-week trial that concluded on June 5, I wanted to share with you my present inclinations with respect to the anticipated JMOL and new trial motions. I do not here express any views as to any other post-trial motions that may eventually be filed.

While I have not completed my review of the record, and what I say in this letter is not an order, here is how I see the issues as of today.

From what I have seen to this point, I am not inclined to grant JMOL or a new trial to Fairchild on any issue. With regard to JMOL on Power Integrations' patents, my present impression is that Fairchild's motion was not procedurally proper. With regard to a new trial on Power Integrations' patents, my present impression is that there was a substantial evidentiary basis for each issue on which Power Integrations prevailed, including infringement of Power

Integrations' '359 patent and validity of Power Integrations' '457 patent.

From what I have seen to this point, I also am not inclined to grant JMOL or a new trial to Power Integrations on any issue. My present impression generally is that there was a substantial evidentiary basis for each issue on which Fairchild prevailed, including non-infringement of Power Integrations' '457 patent and induced infringement of Fairchild's '972 patent.

From what I have seen to this point, I am further not inclined to grant JMOL to either Fairchild or Power Integrations on any issue on which it prevailed at trial, to the extent either party continues to seek JMOL on any such issue.

As for entering judgment, I am aware there is an ongoing dispute over the form of judgment to be entered. I am going to enter judgment on the verdict, largely consistent with the proposed form of judgment submitted by Power Integrations, but only as to all of the issues the Court has thus far resolved with respect to the parties' claims in this case. This includes entering judgment (for *Fairchild*) on the '366 patent, as I agree with Power Integrations that it acted reasonably and must be permitted to appeal the decisions that, in its view, made it impossible for it to prove infringement. However, I think it appropriate to give Fairchild an additional, brief opportunity to identify any specific entries it believes are inaccurate, incomplete, or otherwise improper, and Power Integrations an opportunity to respond. I intend for the parties to address any remaining issues regarding the proposed form of judgment as follows: Fairchild shall file its letter, not to exceed two (2) pages, no later than July 15, 2015; and Power Integrations shall file its response, not to exceed two (2) pages, no later than July 17, 2015.

The views I am expressing in this letter are merely inclinations and are subject to change, after I review the full briefing on the motions (and, if necessary, hear oral argument).

Nevertheless, I thought it would be useful for you to know my present impressions.

Sincerely, Lew P. Dos

Honorable Leonard P. Stark United States District Judge

District of Delaware