

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

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GREATBATCH LTD.,	:	
	:	
Plaintiff,	:	
	:	
v.	:	
	:	C.A. No. 13-723-LPS
AVX CORPORATION and	:	
AVX FILTERS CORPORATION,	:	
	:	
Defendants.	:	
	:	

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**MEMORANDUM ORDER**

At Wilmington this **8th** day of **December, 2015**:

**I. BACKGROUND**

The parties in this highly contentious patent litigation have filed numerous summary judgment and *Daubert* motions. Together, the parties filed a total of 300 pages of briefing in support of or in opposition to the motions. On October 20, 2015, the Court heard three hours of oral argument. (*See* Transcript (D.I. 541) (“Tr.”))

Plaintiff, Greatbatch Ltd. (“Greatbatch” or “Plaintiff”) asserts 11 claims of the six patents-in-suit against Defendants AVX Corporation and AVX Filters Corporation (“AVX” or “Defendants”). The patents-in-suit are U.S. Patent Nos. 5,905,627 (“627 patent”), 5,333,095 (“095 patent”), 6,765,779 (“779 patent”), 6,888,715 (“715 patent”), 7,035,077 (“077 patent”),<sup>1</sup> and 7,327,553 (“553 patent”). Greatbatch accuses AVX feedthrough filter assemblies

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<sup>1</sup>Greatbatch withdrew its infringement contentions as to U.S. Patent No. 7,035,077 and no longer asserts any claims of this patent against AVX. (*See* D.I. 530) Copies of the patents-in-

(“FFTs”) of infringing one or more of the asserted claims.<sup>2</sup> Specifically, Greatbatch accuses three families of AVX products referred to in the parties’ briefs as “Frontier,” “NG3,” and “Ingenio.” (See D.I. 530)

The final pretrial conference will be held on December 22, 2015, and a jury trial will begin on January 11, 2016.

## II. LEGAL STANDARDS

### A. *Daubert* Motions to Exclude

In *Daubert v. Merrell Dow Pharms., Inc.*, 509 U.S. 579, 597 (1993), the Supreme Court explained that Federal Rule of Evidence 702 creates “a gatekeeping role for the [trial] judge” in order to “ensur[e] that an expert’s testimony both rests on a reliable foundation and is relevant to the task at hand.” Rule 702 requires that expert testimony “help the trier of fact to understand the evidence or to determine a fact in issue.” Fed. R. Evid. 702(a). Expert testimony is admissible only if “the testimony is based on sufficient facts or data,” “the testimony is the product of reliable principles and methods,” and “the expert has reliably applied the principles and methods to the facts of the case.” Fed. R. Evid. 702(b)-(d).

There are three distinct requirements for proper expert testimony: (1) the expert must be qualified; (2) the opinion must be reliable; and (3) the expert’s opinion must relate to the facts. See *Elcock v. Kmart Corp.*, 233 F.3d 734, 741 (3d Cir. 2000).

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suit may be found at D.I. 57 Exs. A-F.

<sup>2</sup>Greatbatch asserts claim 12 of the ’627 patent, claims 4, 6, and 9 of the ’095 patent, claims 8 and 10 of the ’779 patent, claims 7, 15, and 16 of the ’715 patent, and claims 7 and 10 of the ’553 patent. (See D.I. 530)

## **B. Summary Judgment**

Pursuant to Rule 56(a) of the Federal Rules of Civil Procedure, “[t]he court shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” The moving party bears the burden of demonstrating the absence of a genuine issue of material fact. *See Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 585-86 (1986). An assertion that a fact cannot be – or, alternatively, is – genuinely disputed must be supported either by citing to “particular parts of materials in the record, including depositions, documents, electronically stored information, affidavits or declarations, stipulations (including those made for purposes of the motion only), admissions, interrogatory answers, or other materials,” or by “showing that the materials cited do not establish the absence or presence of a genuine dispute, or that an adverse party cannot produce admissible evidence to support the fact.” Fed. R. Civ. P. 56(c)(1)(A) & (B). If the moving party has carried its burden, the nonmovant must then “come forward with specific facts showing that there is a genuine issue for trial.” *Matsushita*, 475 U.S. at 587 (internal quotation marks omitted). The Court will “draw all reasonable inferences in favor of the nonmoving party, and it may not make credibility determinations or weigh the evidence.” *Reeves v. Sanderson Plumbing Prods., Inc.*, 530 U.S. 133, 150 (2000).

To defeat a motion for summary judgment, the nonmoving party must “do more than simply show that there is some metaphysical doubt as to the material facts.” *Matsushita*, 475 U.S. at 586; *see also Podobnik v. U.S. Postal Serv.*, 409 F.3d 584, 594 (3d Cir. 2005) (stating party opposing summary judgment “must present more than just bare assertions, conclusory allegations or suspicions to show the existence of a genuine issue”) (internal quotation marks

omitted). The “mere existence of some alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment;” a factual dispute is genuine only where “the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48 (1986). “If the evidence is merely colorable, or is not significantly probative, summary judgment may be granted.” *Id.* at 249-50 (internal citations omitted); *see also Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986) (stating entry of summary judgment is mandated “against a party who fails to make a showing sufficient to establish the existence of an element essential to that party’s case, and on which that party will bear the burden of proof at trial”). Thus, the “mere existence of a scintilla of evidence” in support of the nonmoving party’s position is insufficient to defeat a motion for summary judgment; there must be “evidence on which the jury could reasonably find” for the nonmoving party. *Anderson*, 477 U.S. at 252.

### III. DISCUSSION

#### A. *Daubert* Motions

##### **Motion 1: AVX’s Motion (D.I. 391) to Preclude Robert Stevenson’s Testimony**

AVX argues that Mr. Stevenson’s testimony should be excluded because he has a financial interest in the litigation. (See D.I. 392 at 2-4) Greatbatch counters that “[e]stablishing that the expert is free of any interest in the outcome of the litigation is not a prerequisite for the admissibility of that expert’s testimony.” (D.I. 439 at 1-2) The Court agrees with Greatbatch. Mr. Stevenson’s alleged bias may be explored during cross-examination but is not a proper basis for excluding his testimony entirely. *See Ridgway Nat. Bank v. N. Am. Van Lines, Inc.*, 326 F.2d

934, 939 (3d Cir. 1964) (characterizing potential bias as valid basis for cross-examination).

AVX does not challenge Mr. Stevenson's general qualifications as a technical expert but does argue that Mr. Stevenson's opinions are not based on reliable principles and methods under Rule 702. (*See* D.I. 392 at 2-4) Mr. Stevenson offers testimony regarding his co-inventorship of the '627 patent and the validity of that patent. (*See* D.I. 440-7 at 28-34) This testimony is based primarily on his personal recollection. The jury may assess Mr. Stevenson's credibility regarding his personal recollection with respect to his purported co-inventorship and his assessment of the "Hot Can" prior art.

To the extent Mr. Stevenson will present expert testimony, AVX may raise during cross-examination the fact that Mr. Stevenson performed no post-invention, independent testing or analysis. Mr. Stevenson relies on the methodology, principles, and methods disclosed in embodiments in the '627 patent, which he allegedly practiced at the time of invention, in explaining his inventorship and validity opinions and, therefore, his testimony is not merely "uncorroborated fact testimony."

AVX also argues that Mr. Stevenson's "dual role as a fact witness and an expert on these issues is potentially confusing to a jury" and "unfairly prejudicial" under Rule 403. (*See* D.I. 392 at 4) AVX's contentions are unpersuasive. The Court finds that the probative value of Mr. Stevenson's testimony outweighs any prejudice to AVX under Rule 403. Accordingly, the Court denies AVX's motion to exclude Mr. Stevenson's testimony.

**Motion 2: AVX's Motion (D.I. 390) to Preclude Dr. Steven Pilgrim's Testimony Regarding Non-Obviousness of the '627 Patent**

AVX argues that Dr. Pilgrim's testimony on non-obviousness of the '627 patent should be

excluded because Dr. Pilgrim failed to “apply the correct legal standard for obviousness.” (D.I. 392 at 4) Specifically, AVX argues that Dr. Pilgrim did not consider the prior art as a whole. (*Id.* at 5) However, Dr. Pilgrim’s responsive expert report indicates that Dr. Pilgrim conducted his non-obviousness analysis in the context of the entire prior art. (*See, e.g.*, D.I. 440-4 at 6) (considering relevant “field of art,” level of ordinary skill in the art, and what (as a whole) a person of ordinary skill in the art would have found obvious) Moreover, the admissibility of Dr. Pilgrim’s testimony does not require that he rebut each and every obviousness argument put forward by AVX or analyze every alleged prior art reference. Dr. Pilgrim’s testimony is admissible because it may be used to rebut at least some of AVX’s obviousness arguments and because it will help the trier of fact. *See* Fed. R. Evid. 702(a). Accordingly, the Court denies AVX’s motion to exclude Dr. Pilgrim’s testimony regarding non-obviousness of the ’627 patent.

**Motion 3: AVX’s Motion (D.I. 388) to Preclude Dr. Pilgrim’s Testimony Regarding the “Percolation Network” Theory of Infringement for the ’779 Patent**

AVX moves to exclude Dr. Pilgrim’s testimony regarding the percolation network theory of infringement for the ’779 patent, arguing that Dr. Pilgrim merely speculates that a three-dimensional percolation network exists. (*See* D.I. 392 at 7-10) AVX argues that Dr. Pilgrim did not perform serial cross-sectioning analysis that “could have proven the existence of ‘percolation networks.’” (D.I. 463 at 4) AVX’s arguments go to the weight, rather than the admissibility, of Dr. Pilgrim’s testimony regarding the percolation network theory. The standard under Rule 702 is not whether an expert’s testimony has “proven.” to an optimal degree, his or her conclusion; it is whether there are “good grounds” for the expert’s conclusion. *See Heller v. Shaw Indus., Inc.*, 167 F.3d 146, 153 (3d Cir. 1999). In this case, Dr. Pilgrim relies on good grounds for his

conclusion that AVX infringes the '779 patent under the percolation network theory. Dr. Pilgrim's conclusion is based on, *inter alia*, analysis performed by an independent laboratory, analysis of cross-sections of the accused parts, and Dr. Pilgrim's knowledge of the state of the art. (See D.I. 439 at 10-12; D.I. 440-8) His analysis presents plausible reasoning that a percolation network exists in at least some of the accused parts. Accordingly, the Court denies AVX's motion to exclude Dr. Pilgrim's testimony regarding the percolation network theory of infringement for the '779 patent.<sup>3</sup>

**Motion 4: AVX's Motion (D.I. 388) to Preclude Dr. Lam's Testimony Regarding the "Percolation Network" Theory of Infringement for the '779 Patent**

AVX moves to exclude Dr. Lam's testimony regarding the percolation network theory of infringement for the '779 patent for essentially the same reason it similarly moves with respect to Dr. Pilgrim's testimony regarding the same theory. (See 392 at 7-10) For the same reasons discussed above regarding Dr. Pilgrim's testimony, AVX's arguments go to the weight, rather than the admissibility, of Dr. Lam's testimony. Accordingly, the Court denies AVX's motion to exclude Dr. Lam's testimony regarding the percolation network theory of infringement for the '779 patent.

**Motion 5: AVX's Motion (D.I. 388) to Preclude Dr. Pilgrim's Testimony for Being Inconsistent with the Court's Construction of "oxide resistant conductive pad" as Used in the '779 Patent**

AVX moves to exclude Dr. Pilgrim's testimony to the extent it is inconsistent with the Court's claim construction of "oxide resistant conductive pad," as this term is used in the '779

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<sup>3</sup>To the extent AVX moves to strike Dr. Pilgrim's supporting declaration (D.I. 440-8) submitted with Greatbatch's brief (see D.I. 463 at 4 n.4), the Court denies AVX's motion.

patent. (D.I. 392 at 10) AVX argues that Dr. Pilgrim failed to identify a separate “pad area” and that, instead, Dr. Pilgrim identified merely a “single monolithic component that serves as both hermetic seal and pad.” (*Id.*)

As it appears the parties dispute the meaning of this claim term, the Court construes “oxide resistant conductive pad,” as used in the claims of the ’779 patent, to mean “a pad area of oxide-resistant conductive material, wherein the pad area may, but is not required to, serve dual purposes as hermetic seal and pad.” This construction is consistent with the Court’s previous construction (*see* D.I. 282 at 30) (“a pad area of oxide-resistant conductive material”) and comports with the intrinsic evidence of the ’779 patent. (*See, e.g.*, Fig. 22 and accompanying text) (depicting, in one embodiment, gold area used for both pad and hermetic seal (labeled 330 and 346)) The Court relies only on the specification and claim language in construing this term.

In light of this clarified construction, Dr. Pilgrim’s testimony is not inconsistent with the Court’s claim construction, and the Court denies AVX’s motion.

**Motion 6: AVX’s Motion (D.I. 388) to Preclude Dr. Pilgrim’s Testimony for Being Inconsistent with the Court’s Construction of “oxide resistant conductive pad” as Used in the ’715 Patent**

AVX moves to exclude Dr. Pilgrim’s testimony to the extent it is inconsistent with the Court’s claim construction of “oxide resistant conductive pad,” as this term is used in the ’715 patent. (D.I. 392 at 10) The Court construes “oxide resistant conductive pad” to have the same meaning for the ’715 patent as for the ’779 patent. (*See, e.g.*, Fig. 22 and accompanying text) (depicting, in one embodiment, gold area used for both pad and hermetic seal (labeled 330 and 346)) Thus, for the same reasons described above, Dr. Pilgrim’s testimony is not inconsistent with the Court’s claim construction, and the Court denies AVX’s motion.



**Motion 7: AVX's Motion (D.I. 388) to Exclude Dr. Pilgrim's Testimony Regarding Micrographs of Ordinary Course DPAs to Show Infringement of the '779 Patent**

AVX moves to exclude Dr. Pilgrim's testimony to the extent it relies on photographs of rough cut destructive physical analyses or "DPAs" to prove infringement of the '779 patent. (D.I. 392 at 11-12) AVX's arguments go to the weight rather than the admissibility of this testimony. Notably, AVX's own expert relies on photographs of DPAs in his expert report. (See D.I. 393-2 Ex. 13 at 5-6) Accordingly, the Court denies AVX's motion to exclude Dr. Pilgrim's testimony regarding micrographs of DPAs with respect to infringement of the '779 patent.

**Motion 8: AVX's Motion (D.I. 388) to Exclude Dr. Pilgrim's Testimony Regarding Micrographs of Ordinary Course DPAs to Show Infringement of the '715 Patent**

For the same reasons discussed above with respect to the '779 patent, the Court denies AVX's motion to exclude Dr. Pilgrim's testimony regarding micrographs in connection with his opinion of infringement of the '715 patent.

**Motion 9: AVX's Motion (D.I. 389) to Exclude Dr. Lam's Testimony Regarding the "Intermetallic" Theory of Infringement for the '715 Patent**

AVX argues that Dr. Lam's testimony regarding intermetallic formation involving gold, palladium, and solder should be excluded because it is contradicted by AVX's experts and testimony from Dr. Pilgrim. (D.I. 392 at 12) Greatbatch responds that the classification of the mixture as an "intermetallic compound" as opposed to an "alloy" does not impact the admissibility of Dr. Lam's testimony. (D.I. 439 at 15) In its reply brief, AVX does not attempt to rebut Greatbatch's point. Rather, AVX relies on its improperly narrow construction of "pad area," which the Court has rejected (see above). Thus, the Court denies AVX's motion.

**Motion 10: Greatbatch's Motion (D.I. 394) to Exclude Dr. John Webster's Testimony for Lack of "Specialized Knowledge" to Support His Opinions**

Greatbatch argues that Dr. Webster's testimony should be excluded because he lacks specialized knowledge regarding the subject matter of this lawsuit and because he relied on opinions of other experts and the assistance of Greatbatch's attorneys in developing and drafting his expert opinions. (D.I. 395 at 3) The Third Circuit has "interpreted the specialized knowledge requirement liberally, and [has] stated that this policy of liberal admissibility of expert testimony extends to the substantive as well as the formal qualification of experts." *Elcock v. Kmart Corp.*, 233 F.3d 734, 741 (3d Cir. 2000) (internal quotation marks omitted).

As Greatbatch concedes, Dr. Webster has a Ph.D. in electrical engineering and many years of experience in the medical device field. (See D.I. 395 at 3-4) AVX notes the "substantial preparation and work that Prof. Webster actually performed in forming his opinions in this case," including reviewing technical documents, prior art references, contentions, and deposition transcripts, as well as inspecting a prior art capacitor, talking with knowledgeable AVX employees, and touring an AVX facility. (D.I. 437 at 4; *see also* D.I. 395 at 4 (noting Dr. Webster spent approximately 150 hours on expert activity in this case)) In light of the time Dr. Webster put into preparing his opinions for this case and his qualifications, and applying the "liberal standard" for admissibility, the Court will not exclude Dr. Webster's opinions.

Greatbatch argues that Dr. Webster's reference to and consideration of the opinions of other experts shows that he lacks expertise in certain areas. For example, Greatbatch argues that Dr. Webster lacks expertise in DPA and, therefore, that he should not be permitted to testify regarding DPA. (See D.I. 395 at 16) AVX responds that Dr. Webster is permitted to confer with

other experts and rely on assistance from counsel in arriving at his opinions, without making his opinion inadmissible. (*See generally* D.I. 437 at 2-8) The Court agrees with AVX.

Regarding DPA, for example, Dr. Webster, having consulted with Dr. Hillman, is qualified to testify regarding the relative weight to be given to ordinary course DPA. The record indicates that Dr. Webster adequately took into consideration Dr. Hillman's guidance, making Dr. Webster's testimony more, not less, reliable. (*See, e.g.*, D.I. 392-2 at ¶ 233)

**Motion 11: Greatbatch's Motion (D.I. 394) to Exclude Dr. Webster's Testimony Regarding the '095 Patent for Not Following the Court's Claim Constructions**

Greatbatch argues that Dr. Webster failed to follow the Court's construction of "adapted for" as used in certain claims of the '095 patent. (*See* D.I. 395 at 9-10) Dr. Webster's challenged opinions are not contrary to the Court's claim constructions for the '095 patent. Further, whether a "flat" capacitor or a capacitor which has a "counterbore or mounting ring" is "adapted" is a question for the finder of fact. The Court's construction of "adapted for" as "made for, designed for, or configured for" is sufficiently clear to allow the finder of fact to resolve the parties' competing infringement and non-infringement positions.

Greatbatch argues that Dr. Webster's testimony should be excluded because he fails to adhere to the Court's construction of "conductive ferrule" in his analysis of claim 1 of the '095 patent. (*See* D.I. 395 at 10) As AVX responds, however, the term "conductive ferrule" does not even appear in claim 1 but in claim 5, which depends from claim 1. (*See* D.I. 437 at 9-10) Moreover, while it appears that Dr. Webster may have failed to consider whether the "gray sub-plate" referenced in his report could *separately* qualify as a "conductive ferrule," the Court does not view the challenged opinions (D.I. 396 Ex. PWEX-B at ¶¶ 106-08) as contrary to the Court's

claim constructions for claim 1. The Court denies Greatbatch's motion.

**Motion 12: Greatbatch's Motion (D.I. 394) to Exclude Dr. Webster's Testimony Regarding the '779 Patent for Not Following the Court's Claim Construction**

Greatbatch argues that certain of Dr. Webster's opinions regarding the '779 patent apply a construction of "oxide-resistant conductive pad" that is inconsistent with the patent's specification. As already discussed, the Court has clarified its previous construction of this term to be "a pad area of oxide-resistant conductive material, wherein the pad area may, but is not required to, serve dual purposes as hermetic seal and pad." Greatbatch specifically challenges Dr. Webster's statement that "an accused product must comprise a distinct oxide-resistant 'pad area' in addition to an oxide resistant hermetic seal." The Court agrees that in this opinion Dr. Webster is applying an incorrect claim construction in this quotation from his report. The portions of Dr. Webster's expert opinions that rely on this incorrect claim construction shall be excluded and Dr. Webster shall not present testimony applying this incorrect claim construction at trial. Accordingly, the Court grants Greatbatch's motion.

**Motion 13: Greatbatch's Motion (D.I. 394) to Exclude Dr. Webster's Testimony Regarding the '715 Patent for Not Following the Court's Claim Construction**

Greatbatch challenges Dr. Webster's interpretation of the same "oxide-resistant conductive pad" term just discussed also as it is used in the '715 patent. The '715 patent shares an identical specification with the '779 patent, and the same construction of this term will govern both patents. Hence, the portions of Dr. Webster's expert opinions that rely on a claim construction that is inconsistent with the Court's shall be excluded and Dr. Webster shall not present testimony applying his incorrect claim construction at trial. The Court grants

Greatbatch's motion.

**Motion 14: Greatbatch's Motion (D.I. 394) to Exclude Dr. Webster's Testimony Regarding the '779 Patent as Based on Unreliable Facts**

Greatbatch argues that Dr. Webster's testimony relating to the '779 patent should be excluded because of alleged inconsistencies between his opinions and certain process specifications of the accused products. (*See* D.I. 395 at 12-13) Greatbatch's arguments go to the weight rather than the admissibility of these opinions. Accordingly, the Court denies Greatbatch's motion.

**Motion 15: Greatbatch's Motion (D.I. 394) to Exclude Dr. Webster's Testimony Regarding the '715 Patent as Based on Incorrect Facts**

As with the '779 patent, Greatbatch argues that Dr. Webster's testimony regarding the '715 patent should be excluded because of alleged inconsistencies between his opinions and certain specifications of the accused products. (*See* D.I. 395 at 14-16) Greatbatch's arguments go to the weight rather than the admissibility of these opinions. Accordingly, the Court denies Greatbatch's motion.

**Motion 16: AVX's Motion (D.I. 425) to Exclude Lost Profit Damages Opinions of Dr. Allyn Strickland**

AVX seeks to exclude Dr. Strickland's arguments related to lost profit damages. (*See* D.I. 426 at 2-5) Pursuant to 35 U.S.C. § 284, a patentee is entitled to recover "the difference between his pecuniary condition after the infringement, and what his condition would have been if the infringement had not occurred." *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476, 507 (1964). "In determining such damages, the profits lost by the patent owner in a two-supplier market is a proper ground for granting relief." *Lam, Inc. v. Johns-Manville Corp.*,

718 F.2d 1056, 1065 (Fed. Cir. 1983). “Whether lost profits are legally compensable in a particular situation is a question of law.” *Siemens Med. Sols. USA, Inc. v. Saint-Gobain Ceramics & Plastics, Inc.*, 637 F.3d 1269, 1287 (Fed. Cir. 2011). “Lost profits may be in the form of diverted sales, eroded prices, or increased expenses.” *Id.* at 1065; *accord Wechsler v. Macke Int’l Trade, Inc.*, 486 F.3d 1286, 1294 (Fed. Cir. 2007). “To recover lost profits, the patent owner must show causation in fact, establishing that but for the infringement, he would have made additional profits.” *Grain Processing Corp. v. Am. Maize-Products Co.*, 185 F.3d 1341, 1349 (Fed. Cir. 1999) (internal quotation marks omitted). “[C]ourts have given patentees significant latitude to prove and recover lost profits for a wide variety of foreseeable economic effects of the infringement.” *Id.* at 1350.

“[I]t is generally required that royalties be based not on the entire product, but instead on the smallest salable patent-practicing unit.” *LaserDynamics, Inc. v. Quanta Computer, Inc.*, 694 F.3d 51, 67 (Fed. Cir. 2012) (internal quotation marks omitted). “[T]he requirement that a patentee identify damages associated with the smallest salable patent-practicing unit is simply a step toward meeting the requirement of apportionment.” *Virnetx, Inc. v. Cisco Sys., Inc.*, 767 F.3d 1308, 1327 (Fed. Cir. 2014). “The patentee is not obliged to negate every possibility that a purchaser might not have bought the patentee’s product instead of the infringing one, or might have foregone the purchase altogether.” *Del Mar Avionics, Inc. v. Quinton Instrument Co.*, 836 F.2d 1320, 1326 (Fed. Cir. 1987).

AVX argues that Dr. Strickland failed to establish demand or apportion damages on a patent-by-patent basis according to the “distinct, discrete features” of the claimed inventions. (See D.I. 426 at 3-4) Greatbatch counters that “[t]he accused FFTs *are* the patented component

and the smallest salable unit, thus requiring no apportionment.” (D.I. 476 at 1) Greatbatch is free to make this argument (i.e., that each of the asserted claims is directed to FFTs as a whole).<sup>4</sup> Moreover, the key points of novelty for each of the patents-in-suit appear to relate to the overall assembly of entire FFTs, and AVX offers no alternative apportionment methodology in its briefing to that of the smallest salable unit (an FFT) used by Dr. Strickland. Dr. Strickland is allowed to rely on his understanding, as informed by the opinions of Greatbatch’s technical experts (*see, e.g.*, D.I. 429-2 at 48), that infringement of *any* of the asserted claims would implicate the *entirety* of AVX’s accused FFTs rather than individual aspects of the FFTs for purposes of his damages analysis.

**Motion 17: AVX’s Motion (D.I. 425) to Exclude Price Erosion Damages Opinions of Dr. Strickland**

AVX argues that Dr. Strickland’s price erosion damages theories should be excluded in their entirety for the same reasons discussed above for lost profits. (*See* D.I. 426 at 6) For the same reasons articulated above, the Court rejects these arguments as well. In addition, AVX argues that Dr. Strickland failed to consider price elasticity in his price erosion opinions. (*See id.* at 6-7) Greatbatch counters that Dr. Strickland took price elasticity into account by implication. (*See* D.I. 476 at 4-5) These issues go to the weight rather than the admissibility of Dr. Strickland’s testimony. Thus, the Court denies AVX’s motion.

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<sup>4</sup>AVX argues in its reply brief that Dr. Strickland is not qualified to argue that an FFT is the smallest salable unit, since this is a “technical opinion.” (*See* D.I. 491 at 1-2) However, Dr. Strickland properly relied on the opinions of Greatbatch’s technical experts in asserting that “each of the accused AVX FFTs is covered by one or more of the asserted patents.” (*See* D.I. 429-2 at 48) (citing Dr. Pilgrim’s expert report in footnote 227)

**Motion 18: AVX's Motion (D.I. 425) to Exclude Reasonable Royalty Damages Opinions of Dr. Strickland**

AVX argues that Dr. Strickland's reasonable royalty theories should be excluded in their entirety, arguing, once again, that Dr. Strickland did not apportion damages on a patent-by-patent basis. For the reasons already discussed, Dr. Strickland's specialized knowledge and testimony will be helpful to the jury, regardless of the fact that he did not analyze damages based on individual components of the FFTs in more granular detail. Accordingly, AVX's motion is denied.

**Motion 19: Greatbatch's Motion (D.I. 430) to Exclude Testimony of William Rissmann Related to Design Alternatives**

Greatbatch argues that Mr. Rissmann's testimony should be excluded because Mr. Rissmann did not rely on certain facts that Greatbatch deems necessary to prove availability and acceptability of alleged design alternatives. (*See* D.I. 431 at 1-3) Greatbatch's arguments go to the weight rather than the admissibility of Mr. Rissmann's testimony, and Greatbatch is free to explore the factual basis for Mr. Rissmann's testimony on cross-examination. Mr. Rissmann's testimony relies on sufficient "facts or data," will help the jury, and is sufficiently reliable to meet the requirements of Rule 702. Greatbatch's motion is denied.

**Motion 20: Greatbatch's Motion (D.I. 430) to Exclude Testimony of Dr. Webster Related to Design Alternatives**

For the same reasons articulated above regarding Mr. Rissmann's testimony, the Court will not exclude Dr. Webster's testimony on design alternatives. Greatbatch's arguments regarding Dr. Webster's testimony on design alternatives go to the weight rather than the admissibility of such testimony. Greatbatch's motion is denied.



**Motion 21: Greatbatch's Motion (D.I. 430) to Exclude Testimony of Philip Green Related to Design Alternatives**

For the same reasons articulated above regarding Mr. Rissmann's testimony, the Court will not exclude Mr. Green's testimony on design alternatives. Greatbatch's arguments regarding Mr. Green's testimony on design alternatives go to the weight rather than the admissibility of such testimony. Mr. Green permissibly relied on technical experts in forming his opinions on damages related to design alternatives. (*See, e.g.*, D.I. 432-3 at 12) Greatbatch's motion is denied.

**Motion 22: Greatbatch's Motion (D.I. 430) to Exclude Testimony of Jeffrey Aroy on Pricing**

Greatbatch argues that Mr. Aroy's testimony on pricing should be excluded because Mr. Aroy did not consider certain facts or relied on inaccurate facts. (*See* D.I. 489 at 3-4) Again, Greatbatch's arguments go to the weight rather than the admissibility of this testimony. Mr. Aroy's testimony will be helpful to the jury at least for purposes of potentially rebutting Dr. Strickland's testimony for allegedly failing to consider certain market factors at play during the relevant time period. Accordingly, the Court denies Greatbatch's motion.

**B. Summary Judgment Motions**

**Motion 23: AVX's Motion for Summary Judgment ("MSJ") (D.I. 397) of Non-Infringement of the '779 Patent by the Ingenio FFTs**

AVX argues that the Court should grant summary judgment that its Ingenio FFTs do not infringe the '779 patent. (*See* D.I. 400 at 4-11) The Court disagrees because (1) AVX admits that it produced at least one infringing part and (2) questions of material fact preclude summary judgment with respect to accused "production" parts. Greatbatch produced expert testimony to

the effect that cross-sectional images show existence of a “lacy network” of conductive silver-filled polyimide between the capacitor and the gold braze. (*See, e.g.*, D.I. 441 at 4-6) The parties’ expert opinions regarding this patent, and the evidence they rely upon, present material factual disputes that are properly resolved by a jury. Accordingly, the Court denies AVX’s motion.

**Motion 24: AVX’s MSJ (D.I. 397) of Non-Infringement of the ’715 Patent by the Frontier FFTs**

AVX seeks summary judgment that its Frontier FFTs do not infringe the ’715 patent based on its view there is “no evidence” put forward by Greatbatch of infringement. (*See* D.I. 400 at 11) This is simply untrue. AVX refers to manufacturing design documents that Greatbatch relies on for its infringement allegations. (*See id.*) It is unclear why AVX believes that these materials, in combination with Greatbatch’s expert testimony, do not qualify as “evidence.” *See generally Fairchild Semiconductor Corp. v. Power Integrations, Inc.*, 2015 WL 1799835, at \*6 (D. Del. 2015) (Court noting that Fairchild “offered substantial evidence to support a direct infringement verdict” because, *inter alia*, “Fairchild’s expert presented testimony describing the presence of a transformer in power supplies that incorporate the accused LinkSwitch-II products” and “Power’s application notes contain detailed instructions for incorporating the accused product into power supplies”). Greatbatch’s citation to manufacturing documents (*see, e.g.*, D.I. 441 at 12) as well as its expert’s testimony is evidence on which a reasonable jury could rely. AVX’s motion is denied.

**Motion 25: AVX’s MSJ (D.I. 397) of Non-Infringement of the ’715 Patent by the Ingenio FFTs**

AVX seeks summary judgment that its Ingenio FFTs do not infringe the ’715 patent based

on AVX's construction of the term "pad area" (*see* D.I. 400 at 11-18), which the Court has rejected. Because AVX's MSJ of non-infringement of the '715 patent by the Ingenio FFTs relies entirely on its incorrect construction of this term, the Court denies AVX's motion.

**Motion 26: AVX's MSJ (D.I. 397) of Non-Infringement of the '095 Patent by the Ingenio FFTs**

AVX argues that the Court should grant summary judgment that its Ingenio FFTs do not infringe the '095 patent because of "substantial differences" between the "cylindrical ferrule" in the Court's claim construction of the structure associated with the term "means for mounting said terminal pin for passage through an opening formed in a conductive substrate with said terminal pin and substrate in non-conductive"<sup>5</sup> and the rectangular (as argued by AVX) or rectangular-with-rounded-edges (as argued by Greatbatch) ferrule of the Ingenio FFTs. (*See* D.I. 400 at 18-21; D.I. 441 at 12-16) "Whether an accused device infringes a § 112, ¶ 6 claim as an equivalent is a question of fact." *Odetics, Inc. v. Storage Tech. Corp.*, 185 F.3d 1259, 1268 (Fed. Cir. 1999). Here, Greatbatch's expert has put forward opinions and cited evidence sufficient to create a genuine issue of material fact as to whether ferrules of cylindrical and rectangular (or rectangular with rounded edges) shapes perform the identical function in the same or insubstantially different way to achieve the same or insubstantially different result. (*See* D.I. 442-12 at 3-5; D.I. 442-14 at 22-28) Thus, the Court denies AVX's motion.

**Motion 27: AVX's MSJ (D.I. 397) of Non-Infringement of the '553 Patent by the Frontier FFTs**

AVX argues that the Court should grant summary judgment that its Frontier FFTs do not

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<sup>5</sup>(*See* D.I. 282 at 20) (construing structure as "a cylindrical conductive ferrule adapted for mounting in an opening in a housing (e.g. has a flange or shoulder) and an insulative mounting ring or bead that supports the terminal pin within the ferrule in a spaced nonconductive relation")

infringe the '553 patent. AVX stated at the hearing that Greatbatch did not oppose this motion. (See Tr. at 65) Greatbatch did not argue at the hearing that it does oppose the motion. AVX's expert put forward sufficient testimony to carry AVX's burden at summary judgment (see D.I. 403-4 at 87-89), while Greatbatch has not "come forward with specific facts showing that there is a genuine issue for trial," *Matsushita*, 475 U.S. at 587 (internal quotation marks omitted).

Therefore, the Court grants AVX's motion.

**Motion 28: AVX's MSJ (D.I. 397) of Non-Infringement of the '553 Patent by the NG3 FFTs**

AVX argues that the Court should grant summary judgment that its NG3 FFTs do not infringe the '553 patent. AVX stated at the hearing that Greatbatch did not oppose this motion. (See Tr. at 65) Greatbatch did not argue at the hearing that it opposes the motion. AVX's expert put forward sufficient testimony to carry AVX's burden at summary judgment (see D.I. 403-4 at 89-92), and Greatbatch has not "come forward with specific facts showing that there is a genuine issue for trial." *Matsushita*, 475 U.S. at 587 (internal quotation marks omitted). Therefore, the Court grants AVX's motion.

**Motion 29: AVX's MSJ (D.I. 399) of Invalidity of the '627 Patent for Misjoinder of Mr. Stevenson as Co-Inventor**

AVX argues that the Court should grant summary judgment that the '627 patent is invalid for misjoinder of Mr. Stevenson as a co-inventor. (See D.I. 400 at 23-28) As a preliminary matter, AVX asks the Court to preclude Greatbatch from relying on a fax transmittal cover memo for the "Draft Patent Application" that the Court previously determined Greatbatch could not rely on for any purpose. (See D.I. 320 at 26) For the same reasons discussed by the Court during the teleconference resolving the parties' earlier dispute on this issue (D.I. 320), and for the reasons

articulated in footnote 19 of AVX's brief (D.I. 400 at 27), the Court grants AVX's requested relief with respect to the fax transmittal cover memo (D.I. 405-7 Ex. 39; D.I. 442-51; D.I. 407-13). Greatbatch may not rely on the fax transmittal cover memo, or any other document that summarizes the content of the "Draft Patent Application," at trial (or on summary judgment).

The record shows material questions of fact regarding whether Mr. Stevenson is an inventor. Greatbatch's Rule 30(b)(6) designee testified that Mr. Brendel (not Mr. Stevenson) was "the actual, what I would call, inventor of the patent." (See D.I. 434 at 1) (quoting and citing testimony) Additionally, Mr. Stevenson himself witnessed and signed the "April 1997 Invention Disclosure," which lists Mr. Brendel as the sole inventor and expressly notes Mr. Stevenson is "not an inventor." (D.I. 405-7 Ex. 30 at GB000477) Particularly given Mr. Stevenson's purported financial incentive (based on a royalty agreement) "to be named as an inventor on as many patents as possible" (D.I. 434 at 8) (citing D.I. 435-1 Ex. 10), there is sufficient evidence from which a reasonable factfinder could find that Mr. Stevenson, acting intentionally and deceptively, put himself forward as an inventor of the '627 patent despite knowing he and Mr. Brendel had not collaborated on the subject matter of the '627 patent.

Alternatively, however, a reasonable factfinder could find that Mr. Stevenson's alleged contributions to the invention were significant and could also find adequate evidence of both corroboration and collaboration. See generally *Ethicon, Inc. v. U.S. Surgical Corp.*, 135 F.3d 1456, 1460 (Fed. Cir. 1998) (stating that joint inventors need not work together, or at same time, or each contribute to each claim of patent). "Patent issuance creates a presumption that the named inventors are the true and only inventors," *id.*, and the burden on AVX to prove misjoinder of an inventor is by clear and convincing evidence, see *Fina Oil & Chem. Co. v.*

*Ewen*, 123 F.3d 1466, 1472 (Fed. Cir. 1997). Given these legal standards, a reasonable factfinder could find that AVX has failed to meet its heavy burden, as the record contains testimony from Mr. Brendel that could corroborate Mr. Stevenson's contribution at least to certain embodiments or claims (*see* D.I. 442-22 at 18-20)<sup>6</sup> and also includes undisputed evidence that Messrs. Brendel and Stevenson worked under the common direction of an employer on the same feedthrough filter assemblies, which could support a finding of collaboration. Thus, the Court denies AVX's motion.

**Motion 30: AVX's MSJ (D.I. 399) of Indefiniteness of Asserted Claim 12 of the '627 Patent**

AVX argues that the Court should grant summary judgment that claim 12 of the '627 patent is indefinite under 35 U.S.C. § 112. Greatbatch argues that AVX "waived" its indefiniteness defense by not including it in its invalidity contentions or its expert's report on invalidity. (*See* D.I. 441 at 20-21) Given Greatbatch's withdrawal of claim 12 before claim construction and reassertion of that claim after claim construction, AVX's indefiniteness defense is not untimely. Even if the defense were considered waived, there is good cause to excuse that waiver.

AVX has failed to prove by clear and convincing evidence that claim 12 of the '627 patent is indefinite. In this case, as in *Hologic, Inc. v. SenoRx, Inc.*, 639 F.3d 1329, 1335 (Fed. Cir. 2011), the patent's specification provides adequate insight into the meaning of "asymmetry."

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<sup>6</sup>AVX argues that "Brendel, as a named inventor of the '627 patent, cannot corroborate Stevenson's testimony," citing *Allergan, Inc. v. Apotex, Inc.*, 754 F.3d 952, 968 (Fed. Cir. 2014), (D.I. 465 at 8) *Allergan* states that "the oral testimony of an inventor" must be "treat[ed] with skepticism due to the possibility of an inventor's self-interest in obtaining or maintaining an existing patent." *Id.* While the factfinder will need to be skeptical of Brendel's testimony, for purposes of summary judgment the Court need not entirely "reject" it.

In other words, the specification of the '627 patent defines asymmetry with reasonable certainty for a person having ordinary skill in the art. *See Nautilus, Inc. v. Biosign Instruments, Inc.*, 134 S. Ct. 2120, 2129 (2014) (“[A] patent’s claims, viewed in light of the specification and prosecution history, inform those skilled in the art about the scope of the invention with reasonable certainty.”). As argued by Greatbatch, symmetry or asymmetry can be evaluated using the ground lead as the reference point. (*See* D.I. 441 at 23-24) (citing '627 patent’s specification at 8:20-25, which describes “symmetrical placement of the ground pin as illustrated in the embodiments of FIGS. 5, 14, 16 and 19-22”)

The parties indicated at the hearing that the term “asymmetry” must be construed. (*See* Tr. at 7-9) Having reviewed the relevant claim language and specification of the '627 patent, and relying only on intrinsic evidence, the Court construes the term “asymmetrical” in claim 12 to mean “not symmetrical.” As illustrated in embodiments of the '627 patent, “symmetrical” means, for example, (1) having a bisecting plane containing the line passing through the ground lead passageway, wherein the bisecting plane creates a mirror image of non-ground lead passageways on either side of the bisecting plane or (2) having the non-ground lead passageways equidistant from one another as measured along the circumference of the circle defined as (a) having the ground lead passageway as its center and (b) containing each of the non-ground lead passageways in its circumference. This construction is supported by the specification’s discussion of symmetry and asymmetry, including the discussion related to Figures 5, 14, 16, and 19-21, which are illustrations of symmetrical embodiments, and Figures 7-10, which are illustrations of asymmetrical embodiments.

A patent is presumed valid. *See Microsoft Corp. v. i4i Ltd. P'ship*, 131 S. Ct. 2238, 2242

(2011). In light of this presumption, and the discussion above, the Court determines that AVX cannot meet its burden of proving indefiniteness, as there is not clear and convincing evidence to support a reasonable finding that the claims fail to provide reasonable certainty to a person of ordinary skill in the art. Accordingly, AVX's motion is denied. The term "asymmetrical" in the '627 patent is not indefinite under § 112.<sup>7</sup>

**Motion 31: AVX's MSJ (D.I. 398) of No Willful Infringement of the '627 Patent**

AVX argues that the Court should grant summary judgment that it has not willfully infringed the '627 patent. "[T]o establish willful infringement, a patentee must show by clear and convincing evidence that the infringer acted despite an objectively high likelihood that its actions constituted infringement of a valid patent." *In re Seagate Tech., LLC*, 497 F.3d 1360, 1371 (Fed. Cir. 2007). An "objectively reasonable" invalidity defense is proper grounds for granting summary judgment of no willful infringement under the first prong of the test articulated in *Seagate*. See *Carnegie Mellon Univ. v. Marvell Tech. Grp., Ltd.*, 2015 WL 4639309, at \*14 (Fed. Cir. Aug. 4, 2015). AVX relied on multiple opinions of counsel which concluded that claims of the '627 patent, including asserted claim 12, were invalid in light of prior art. (See D.I. 400 at 33) Moreover, AVX plead that the '627 patent was indefinite under § 112 and moves for

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<sup>7</sup>See generally *ePlus, Inc. v. Lawson Software, Inc.*, 700 F.3d 509, 517-18 (Fed. Cir. 2012) ("[T]he district court did not intend to revisit the indefiniteness issue once it denied summary judgment [to defendant]. Given that indefiniteness is an issue of law, the district court regarded its ruling on summary judgment to be the last word on the matter until appeal."); *Talecris Biotherapeutics, Inc. v. Baxter Int'l, Inc.*, 510 F. Supp. 2d 356, 362-63 (D. Del. 2007) (granting summary judgment of no indefiniteness, *sua sponte*, in response to defendant's motion for summary judgment of indefiniteness).



summary judgment of invalidity on this basis.<sup>8</sup> (See D.I. 110 at 17) The Court concludes, as a matter of law, that AVX's reliance on these opinions of counsel and on its indefiniteness position were and are objectively reasonable invalidity defenses.

This case is distinguishable from *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, 725 F. Supp. 2d 474, 478 (D. Del. 2010), which is cited in Greatbatch's brief. In *Power Integrations*, the Court determined that opinions of counsel were "insufficient to overcome the *overwhelming evidence of willful infringement presented by Power.*" *Id.* (emphasis added). Greatbatch has presented no such "overwhelming evidence" in this case. AVX's motion is granted.

**Motion 32: AVX's MSJ (D.I. 398) of No Willful Infringement of the '095 Patent**

AVX argues that the Court should grant summary judgment that it has not willfully infringed the '095 patent. The Court determines, as a matter of law, that AVX's reliance on its opinion of counsel of no infringement was objectively reasonable and that AVX did not act despite an objectively high likelihood that its actions constituted infringement. Therefore, the Court grants AVX's motion.

**Motion 33: AVX's MSJ (D.I. 398) of No Willful Infringement of the '779 Patent**

AVX argues that the Court should grant summary judgment that it has not willfully infringed the '779 patent. The Court agrees with AVX that the record shows it made significant

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<sup>8</sup>Although AVX did not plead indefiniteness of claim 12 in its invalidity contentions or at claim construction, this is due to the fact that Greatbatch did not assert claim 12 until after the Patent Office denied institution of AVX's IPR on claim 12 (and granted institution as to previously asserted claims of the '627 patent). As already noted, AVX is entitled to raise its indefiniteness defense in light of Greatbatch's belated assertion of claim 12.

efforts to avoid infringement of the '779 patent. The Court determines that Greatbatch has failed to show by clear and convincing evidence that AVX acted despite an objectively high likelihood that its actions constituted infringement. Therefore, the Court grants AVX's motion.

**Motion 34: AVX's MSJ (D.I. 398) of No Willful Infringement of the '715 Patent**

AVX argues that the Court should grant summary judgment that it has not willfully infringed the '715 patent. The Court agrees with AVX that it made significant efforts to avoid infringement of the '715 patent. The Court determines that Greatbatch has failed to show by clear and convincing evidence that AVX acted despite an objectively high likelihood that its actions constituted infringement. Therefore, the Court grants AVX's motion.

**Motion 35: AVX's MSJ (D.I. 398) of No Willful Infringement of the '553 Patent**

AVX argues that the Court should grant summary judgment that it has not willfully infringed the '553 patent. Greatbatch does not oppose AVX's motion for summary judgment of no willful infringement of the '553 patent. The Court determines that AVX has carried its burden in light of the Court's determination that AVX does not infringe the '553 patent, discussed above. Accordingly, the Court grants AVX's motion.

**Motion 36: Greatbatch's Motion (D.I. 441 at 33-35) Seeking Denial or Deferment of AVX's MSJ (D.I. 398) Under Rule 56(d)**

Greatbatch asks the Court to deny one or more of AVX's MSJs in light of the unavailability of Mr. Randy Piersma for deposition. (*See* D.I. 441 at 33-35) At the hearing, counsel for AVX represented that Mr. Piersma was now available for deposition. (*See* Tr. at 11) In light of AVX's representation, the Court denies Greatbatch's motion. Mr. Piersma shall be

made available for deposition before trial, if requested by Greatbatch (and if such deposition has not already occurred).

**Motion 37: AVX's MSJ (D.I. 427) to Preclude Recovery of Lost Profits Damages**

AVX argues that the Court should grant summary judgment that Greatbatch may not recover lost profit damages. For the reasons discussed above with regard to AVX's motion to exclude the testimony of Dr. Strickland related to lost profits damages (D.I. 425), material questions of fact remain that preclude granting AVX's motion. Accordingly, the Court denies AVX's motion.

**Motion 38: Greatbatch's MSJ (D.I. 404) Regarding AVX's Sixth Affirmative Defense and First Counterclaim**

Greatbatch argues that the Court should dismiss AVX's Sixth Affirmative Defense and First Counterclaim at summary judgment because Mr. Stevenson is not misjoined as an inventor or, alternatively, because inventorship may be corrected pursuant to 35 U.S.C. § 256. (*See* D.I. 406 at 4-11; *see also Stark v. Advanced Magnetics, Inc.*, 119 F.3d 1551, 1555-56 (Fed. Cir. 1997) ("Section 256 allows deletion of a misjoined inventor whether that error occurred by deception or by innocent mistake."); *Intermec Techs. Corp. v. Palm, Inc.*, 738 F. Supp.2d 522, 562 (D. Del. 2010) ("Naming or failing to name an inventor, through error and without deceptive intent, may be cured by issuance of a certificate correcting such error.")) The Court determines that there are material questions of fact as to whether (1) Mr. Stevenson contributed sufficient subject matter to the invention to be considered a co-inventor, (2) Mr. Stevenson and Mr. Brendel sufficiently collaborated to be considered co-inventors, and (3) there was any deceptive intent with respect to filing the application that led to the '627 patent listing Messrs. Stevenson and Brendel as co-

inventors. Section 256 is a permissive statute, allowing but not requiring correction of inventorship. A decision whether to exercise the authority to make such a correction should be made only after Greatbatch clearly asks for a correction and after resolving the pertinent factual disputes based on a full record (including hearing witness testimony). Thus, the Court denies Greatbatch's motion.

**Motion 39: Greatbatch's MSJ (D.I. 404) Regarding AVX's Seventh Affirmative Defense and Second Counterclaim**

Greatbatch argues that the Court should dismiss AVX's Seventh Affirmative Defense and Second Counterclaim at summary judgment, arguing that Mr. Stevenson did not engage in inequitable conduct by failing to disclose to the Patent Office prior art referred to (by AVX) as "Cox's invention."<sup>9</sup> (*See* D.I. 406 at 11-13; D.I. 434 at 10; D.I. 467 at 3-4)

"To establish inequitable conduct the information that is known to the applicant and not provided to the PTO must be both material to patentability, and withheld in order to deceive or mislead the examiner." *Hebert v. Lisle Corp.*, 99 F.3d 1109, 1115 (Fed. Cir. 1996). "Intent to deceive cannot be inferred solely from the fact that information was not disclosed; there must be a factual basis for a finding of deceptive intent." *Id.* at 1116. AVX has cited no evidence of intent to deceive aside from Mr. Stevenson's failure to disclose the Cox prior art.

"[T]he accused infringer must prove by clear and convincing evidence that the applicant knew of the reference, knew that it was material, and made a deliberate decision to withhold it." *Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276, 1290 (Fed. Cir. 2011). Because Mr. Stevenson's failure to disclose the Cox prior art, by itself, is insufficient to show intent – yet that

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<sup>9</sup>Rather than refer to Mr. Timothy Cox's work as a whole, Greatbatch refers more narrowly to a particular patent, the '130 patent, co-invented by Mr. Cox.

is the only evidence of intent to which AVX points – the record does not support a reasonable finding that Mr. Stevenson acted with deceptive intent. *See generally Therasense*, 649 F.3d at 1290-91 (“[T]o meet the clear and convincing evidence standard, the specific intent to deceive must be the single most reasonable inference able to be drawn from the evidence.”) (internal quotation marks omitted). Accordingly, the Court grants Greatbatch’s motion.

**Motion 40: Greatbatch’s MSJ (D.I. 404) Regarding AVX’s Eighth Affirmative Defense and Third Counterclaim (’077 Patent)**

Greatbatch argues that the Court should dismiss AVX’s Eighth Affirmative Defense and Third Counterclaim with respect to the ’077 patent at summary judgment because Mr. Brendel and AVX’s prosecution counsel, Mr. Scott Kelley, did not engage in inequitable conduct by failing to disclose the “Medtronic [REDACTED]” prior art to the Patent Office. As articulated in AVX’s responding brief, there are material questions of fact related to both materiality of this prior art and intent to deceive the Patent Office in not disclosing it. (*See* D.I. 434 at 13-14) Accordingly, the Court denies Greatbatch’s motion.

**Motion 41: Greatbatch’s MSJ (D.I. 404) Regarding AVX’s Eighth Affirmative Defense and Third Counterclaim (’553 Patent)**

Greatbatch argues that the Court should dismiss AVX’s Eighth Affirmative Defense and Third Counterclaim with respect to the ’553 patent at summary judgment because Mr. Brendel and AVX’s prosecution counsel, Mr. Scott Kelley, did not engage in inequitable conduct by failing to disclose the “Medtronic [REDACTED]” prior art to the Patent Office. As articulated in AVX’s responding brief, there are material questions of fact related to both materiality of this prior art and any intent to deceive the Patent Office in not disclosing it. (*See* D.I. 434 at 11-13) Accordingly, the Court denies Greatbatch’s motion.

**Motion 42: Greatbatch's MSJ (D.I. 404) of Infringement of the '627 Patent**

Greatbatch moves for summary judgment that AVX infringes claims 4, 12, 17, 20, and 26 of the '627 patent. However, Greatbatch has apparently withdrawn its allegations of infringement as to all but claim 12 of the '627 patent. (*See* D.I. 530) Thus, the Court will not address infringement of claims 4, 17, 20, and 26 of the '627 patent.

Regarding claim 12, Greatbatch submitted new expert opinions with its opening summary judgment brief in support of its position. (*See* D.I. 406 at 17) The Court finds that it would be unfairly prejudicial to grant summary judgment in Greatbatch's favor in light of 98 pages of new expert opinion first disclosed in connection with summary judgment opening briefs. In addition to the questionable timing of these disclosures, the new expert submissions appear to be inconsistent with the page limits the Court has imposed on briefing summary judgment motions. Moreover, in light of the Court's clarified construction of "asymmetrical," discussed above, the Court will afford both parties an opportunity to present their infringement/non-infringement positions at trial with the benefit of the Court's clarified construction. Accordingly, the Court denies Greatbatch's motion.

**Motion 43: Greatbatch's MSJ (D.I. 404) of Infringement of the '779 Patent**

AVX admits that it made at least one part that infringed the '779 patent. (*See* D.I. 434 at 16) The Court grants Greatbatch's motion as to this admitted infringement. The Court denies Greatbatch's motion with respect to all other accused products, because material disputes of fact remain with respect to these products. For example, questions of fact remain as to the "percolation network theory," as previously discussed.

**Motion 44: Greatbatch's MSJ (D.I. 404) of Infringement of the '715 Patent**

AVX admits that it made at least some parts that infringe the '715 patent. (*See* D.I. 400 at 13) The Court grants Greatbatch's motion as to this admitted infringement. The Court denies Greatbatch's motion with respect to all other accused products, because material disputes of fact remain with respect to these products.

**Motion 45: Greatbatch's MSJ (D.I. 404) that the "Hot Can" is Not Prior Art**

AVX concedes, by not addressing the issue, that the Hot Can presentation is not prior art under pre-AIA 35 U.S.C. § 102(b). (*See generally* D.I. 434 at 18-21) Therefore, the Court will grant Greatbatch's motion with respect to § 102(b). The Court determines that there are material issues of disputed fact regarding whether the presentation is prior art under § 102(a). Therefore, the Court denies Greatbatch's motion in all other respects.

**Motion 46: Greatbatch's MSJ (D.I. 404) that "MDT [REDACTED]" is Not Prior Art**

AVX concedes, by not addressing the issue, that MDT [REDACTED] is not prior art. Therefore, the Court grants Greatbatch's motion.

**Motion 47: Greatbatch's MSJ (D.I. 404) that "MDT [REDACTED]" is Not Prior Art**

As AVX argues, there are disputed issues of material fact with respect to whether "MDT [REDACTED]" is prior art. (*See* D.I. 434 at 26-28) Greatbatch's motion is denied.

**Motion 47: Greatbatch's MSJ (D.I. 404) that "MDT [REDACTED]" is Not Prior Art**

As AVX argues, there are disputed issues of material fact with respect to whether "MDT [REDACTED]" is prior art. (*See* D.I. 434 at 28-31) Greatbatch's motion is denied.

**Motion 48: Greatbatch's MSJ (D.I. 404) that "MDT [REDACTED]" are Not Prior Art**

As AVX argues, there are disputed issues of material fact with respect to whether "MDT [REDACTED]" are prior art. (See D.I. 434 at 32-33) Greatbatch's motion is denied.

**Motion 49: Greatbatch's MSJ (D.I. 404) that the "Medtronic [REDACTED]" are Not Prior Art With Respect to the '627 Patent**

As AVX argues, there are disputed issues of material fact with respect to whether the "Medtronic [REDACTED]" are prior art. (See D.I. 434 at 33-36) Greatbatch's motion is denied.

**Motion 50: Greatbatch's MSJ (D.I. 404) that "Wolf" is Not Prior Art**

As AVX argues, there are disputed issues of material fact with respect to whether Wolf" is prior art. (See D.I. 434 at 36-38) Greatbatch's motion is denied.

**Motion 51: Greatbatch's MSJ (D.I. 404) that "Peck" is Not Prior Art**

As AVX argues, there are disputed issues of material fact with respect to whether "Peck" is prior art. (See D.I. 434 at 39-40) Greatbatch's motion is denied.

**Motion 52: Greatbatch's MSJ (D.I. 404) that "[REDACTED]" and "[REDACTED]" Products Do Not Have Layers of Bonding Epoxy that Permit Flow of Helium to Outer Edges of Capacitor as Required by the Court's Construction of the '553 Patent**

As AVX argues, there are disputed issues of material fact with respect to the subject matter of this motion. (See D.I. 434 at 40) Accordingly, Greatbatch's motion is denied.



#### IV. CONCLUSION

For the reasons stated above, IT IS HEREBY ORDERED THAT:

1. AVX's *Daubert* motion to preclude testimony of Mr. Stevenson (D.I. 391) is DENIED.
2. AVX's *Daubert* motion to preclude testimony of Dr. Pilgrim (D.I. 390) is DENIED.
3. AVX's *Daubert* motion to preclude testimony of Dr. Pilgrim and Dr. Lam (D.I. 388) is DENIED.
4. AVX's *Daubert* motion to preclude testimony of Dr. Lam (D.I. 389) is DENIED.
5. Greatbatch's *Daubert* motion to preclude testimony of Dr. Webster (D.I. 394) is GRANTED IN PART and DENIED IN PART.
6. AVX's *Daubert* motion to preclude testimony of Dr. Strickland (D.I. 425) is DENIED.
7. Greatbatch's *Daubert* motion to preclude testimony regarding design alternatives (D.I. 430) is DENIED.
8. AVX's MSJ of non-infringement (D.I. 397) is GRANTED IN PART and DENIED IN PART.
9. AVX's MSJ of invalidity (D.I. 399) is DENIED.
10. AVX's MSJ of no willful infringement (D.I. 398) is GRANTED.
11. Greatbatch's Rule 56(d) motion seeking denial or deferment of decision on AVX's MSJ(s) (D.I. 441 at 33-35) is DENIED.
12. AVX's MSJ to preclude recovery of lost profits damages (D.I. 427) is DENIED.

13. Greatbatch's MSJ (D.I. 404) is GRANTED IN PART and DENIED IN PART.

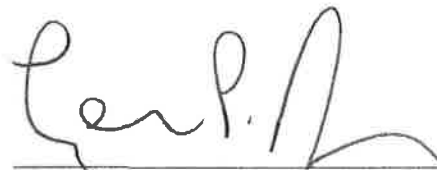
14. The Court construes "oxide resistant conductive pad," as used in the asserted claims of the '779 and '715 patents, to mean "a pad area of oxide-resistant conductive material, wherein the pad area may, but is not required to, serve dual purposes as hermetic seal and pad."

15. The Court construes "asymmetrical," as used in claim 12 of the '627 patent, to mean "not symmetrical."

16. Per the Court's previous Order (D.I. 320 at 26), Greatbatch is precluded from relying on the fax transmittal cover memo for the "Draft Patent Application" (D.I. 405-7 Ex. 39; D.I. 442-51; D.I. 407-13) for any purpose.

17. No later than December 10, the parties, after meeting and conferring, shall either (1) file a joint stipulation of dismissal regarding the '077 patent or (2) file a joint letter containing the parties' positions as to whether and how the Court should address Greatbatch's previously-asserted infringement claims with respect to the '077 patent.

18. No later than December 10, the parties, after meeting and conferring, shall submit a proposed redacted version of this Memorandum Order, and thereafter the Court will issue a publicly-available version.



HON. LEONARD P. STARK  
U.S. DISTRICT COURT JUDGE