



Chipmaker Hit With \$948M Jury Loss

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[\[Link\]](#)

In a victory for VLSI Technology, a Texas jury has concluded that Intel owes the patent holding company \$948 million for patent infringement.

The jury handed down its decision on Tuesday, 15 November at the US District Court for the Western District of Texas, according to [Reuters](#), after finding that Intel had infringed on a VLSI patent related to improvements in data processing.

Commenting on the jury verdict, Akerman partner [Timothy Sendek](#), described the “sheer magnitude of the verdict as stunning”.

“This is a very significant verdict not only for the amount of damages awarded—almost a billion dollars before any judgment for willful infringement, attorneys fees, or interest—but also as a decisive win for VLSI coming on the heels of Intel successfully reincarnating a previously-denied *inter partes* review,” he explained.

Billions at stake in patent disputes

This is the latest development in the intellectual property clash between the pair, with District Judge Alan Albright presiding over the cases.

In March 2021, VLSI secured one of the largest patent damages awards in US history when a Texas jury found that Intel had infringed two patents covering data processing system technology and owed VLSI Technology \$2.18 billion.

Intel [appealed](#) against the jury verdict, arguing that the jury award “rests upon multiple errors and cannot be sustained” and that VLSI Technology’s case relied on “unsupported infringement theories and outrageous damages claims”.

In April 2021, Intel thwarted another patent lawsuit brought by VLSI and was cleared of having to pay \$3.1 billion in damages.

Also on Tuesday, the US Court of Appeals for the Federal Circuit [revived](#) certain claims of a separate VLSI patent that had been found unpatentable by the Patent Trial and Appeal Board (PTAB).

The suit was remanded for further proceedings.

Sendek continued: “While VLSI’s 2021 verdict for \$2.2 billion got headlines, it later lost a similar \$3 billion claim in April of that same year against Intel. Later still, a third party OpenSky sought to [extort](#) VLSI by threatening to seek invalidity of the patent underlying the \$2.2 billion verdict (the ‘373 patent).”

He pointed out that even though the US Patent and Trademark Office Director, Kathi Vidal, agreed OpenSky’s conduct was extortion, the PTAB later decided to [allow](#) Intel to nonetheless take over and continue the attempt to invalidate the ‘373 patent—even though the office had previously denied Intel’s own attempt do so.

This recent victory for VLSI, he explained, puts them “clearly back on top of the scorecard”.

“While dwarfed by the March 2021 verdict, a near-billion dollar verdict is in very rare company for patent damages,” he noted.

‘Close scrutiny’ of jury award

[Teague Donahey](#), IP litigation partner at Holland & Hart, also underscored the significance of the case.

“For a number of years now, in case after case, the Federal Circuit has worked to require monetary damages in patent infringement cases to be proven with precision, in accordance with fundamental economic principles, and to avoid windfalls. I expect that the jury’s award will receive close scrutiny as a result.”

[Nicholas Matich](#) at McKool Smith predicted that the verdict will have ramifications for litigants in future disputes.

“This is obviously an enormous verdict and anytime a large verdict like this comes down, it will have patent owners and defendants think harder about their cases.

“This one may get even more attention, because it’s part of the highly publicised dispute between VLSI and Intel and the IPR challenges to VLSI patents that received an even larger verdict in a prior trial.”