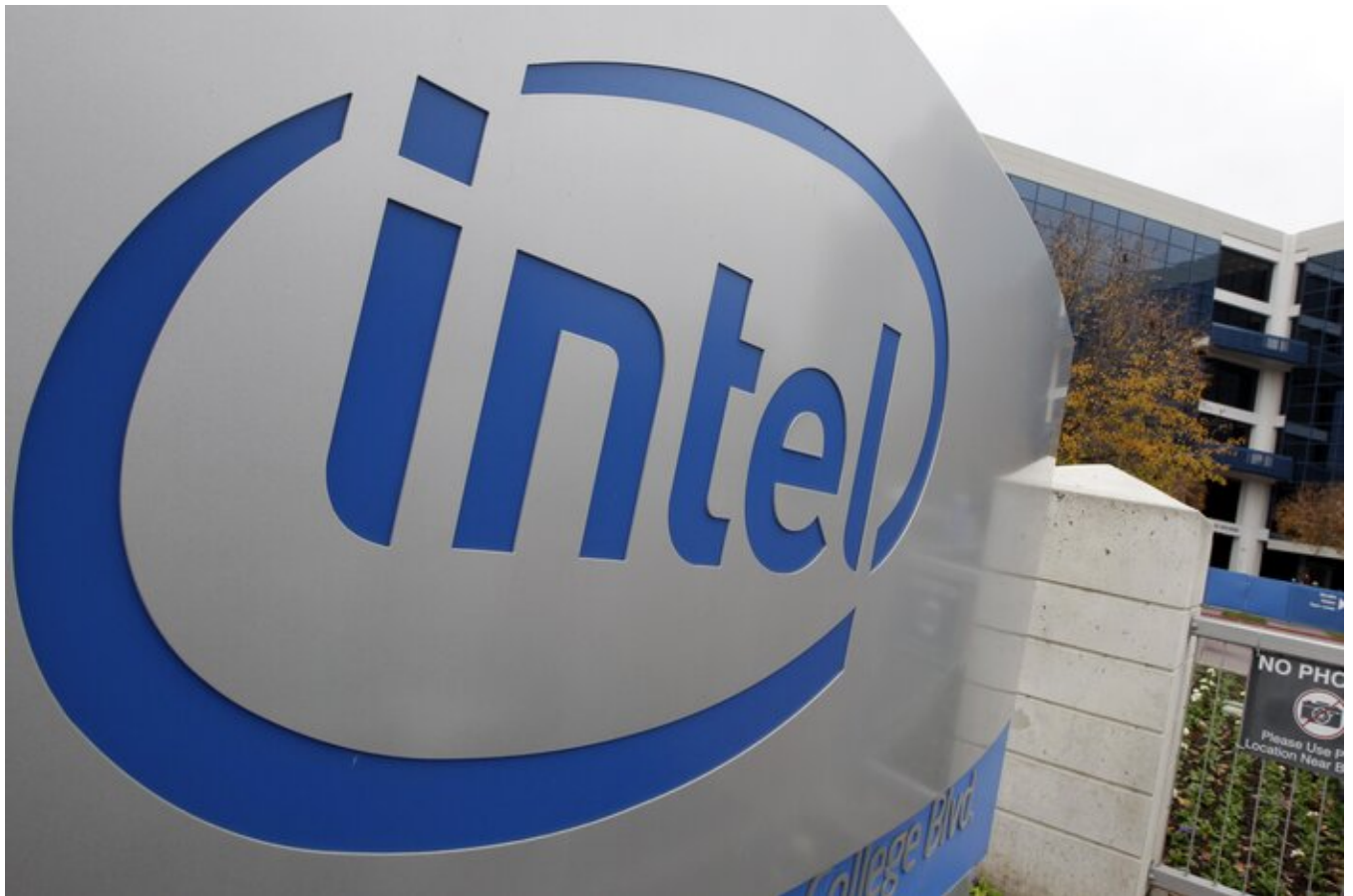


BREAKING: Positive COVID Tests Derail Intel Patent Trial In WDTX

By **Ryan Davis**

Law360 (April 26, 2022, 1:16 PM EDT) -- After multiple positive COVID-19 tests among participants, U.S. District Judge Alan Albright of the Western District of Texas on Tuesday canceled the trial in VLSI's billion-dollar computer chip patent suit against Intel, and said it would be rescheduled later.



VLSI's billion-dollar patent trial against Intel was canceled Tuesday, after multiple positive COVID-19 tests among participants. (AP Photo/Paul Sakuma)

On the second day of the trial, which kicked off **on Monday** in Austin, the judge told the jurors there had been positive COVID tests among people working on the case for one of the parties, according to a source close to the matter.

Judge Albright then said that out of concern for everyone's safety, he was ending the trial. He said it would start over later in the year with a different jury.

The jurors were informed of the positive tests as soon as they arrived for the day, and the courtroom had been cleared of everyone except for courtroom staff and two lawyers for each side.

Judge Albright's COVID safety protocol for the trial consisted of a questionnaire asking anyone entering

U.S. Magistrate Judge Derek Gilliland, who oversaw jury selection, told the parties at a hearing before the trial that nothing was known about the vaccination status of the potential jurors, and that no questions about that subject would be permitted, due to the possibility of potential violations of the Health Insurance Portability and Accountability Act.

The trial is the third in a series of high-stakes disputes between the companies, each involving different patents. It got underway Monday with opening statements and witness testimony. VLSI is seeking around \$1 billion in damages from Intel.

VLSI, a patent licensing company backed by hedge fund Fortress Investment Group, accuses Intel of infringing a patent originally issued to semiconductor maker NXP BV.

In the first trial in March 2021, a Waco jury returned one of the largest patent verdicts in history, finding that Intel infringed two VLSI patents — rejecting an argument that one of them is invalid as anticipated — and awarding \$2.17 billion in damages.

In the second trial, another Waco jury concluded last April that Intel did not infringe either of the two patents in that case, and rejected VLSI's bid for \$3 billion in damages. Post-trial motions are pending in both of those cases.

On Monday, Intel attorney William Lee of WilmerHale told jurors they would learn from the evidence Intel plans to present that its allegedly infringing technology "is different from what's described in the ... patent."

VLSI attorney Morgan Chu of Irell & Manella LLP told the jury that NXP is focused on developing chips, and leaves licensing of its patents to VLSI.

The patent at issue in the latest trial is U.S. Patent No. 7,606,983.

VLSI is represented by Morgan Chu, Benjamin Hattenbach, Iian Jablon, Alan Heinrich, Christopher Abernethy, Ian Washburn, Amy Proctor, Elizabeth Tuan, Dominik Slusarczyk, Charlotte Wen, Benjamin Monnin, Jordan Nafekh and Babak Redjaian of Irell & Manella LLP, Andy Tindel, J. Mark Mann and G. Blake Thompson of Mann Tindel Thompson, and Craig Cherry of Steckler Wayne Cochran Cherry PLLC.

Intel is represented by William Lee, Louis Tompros, Kate Saxton, Gregory Lantier and Amanda Major of WilmerHale, J. Stephen Ravel and Kelly Ransom of Kelly Hart & Hallman LLP, Harry Gillam Jr. of Gillam & Smith LLP, and James Wren of Baylor Law School.

The case is VLSI Technology LLC v. Intel Corp., case number 1:19-cv-00977, in the U.S. District Court for the Western District of Texas.

--Editing by Robert Rudinger.

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