

Senniger Powers wins appeal for MEMC at the Federal Circuit

In *MEMC Electronic Materials, Inc. v. Mitsubishi Materials Silicon America Corp.*, the United States Court of Appeals for the Federal Circuit reversed a summary judgment and remanded the case for trial in the Northern District of California with respect to inducement of infringement under 35 U.S.C. Section 271(b). Robert M. Evans, Jr. argued on behalf of MEMC. With him on the brief was Marc Vander Tuig.

MEMC Electronic Materials, Inc. is a leading producer of silicon wafers to the semiconductor industry and assignee of record of U.S. Patent No. 5,919,302. The '302 patent, entitled "Low Defect Density Vacancy Dominated Silicon," discloses a method of preparing single crystal silicon ingots and wafers substantially free of agglomerated intrinsic point defects. MEMC brought suit in 2001 in the United States District Court for the Northern District of California against Sumitomo Mitsubishi Silicon Corp. ("SUMCO"). MEMC alleged that SUMCO infringed the '302 patent under 35 U.S.C. § 271(a) and (b) by supplying infringing silicon wafers to Samsung Austin Semiconductor in the United States.

SUMCO alleged that it could not be liable for direct or indirect infringement because its activities occurred outside the United States. The district court granted summary judgment for SUMCO on the basis that, as a matter of law, SUMCO could not be liable for direct infringement or inducement of infringement. MEMC appealed this decision to the United States Court of Appeals for the Federal Circuit.

The Federal Circuit reversed summary judgment under § 271(b), finding a genuine issue of material fact with respect to whether SUMCO induced infringement of the '302 patent. The court cited the following evidence: (1) "SUMCO had knowledge of MEMC's patent as well as knowledge of Samsung Austin's potentially infringing activities" (2) "SUMCO provides substantial technical support to Samsung Austin in the form of e-mail communications" (3) "SUMCO works with Samsung Austin to coordinate shipment dates and the quantity of wafers sent in each shipment and that SUMCO makes adjustments in the manufacturing process in order to address problems Samsung Austin encounters with the wafers" (4) "during November and December 2002, SUMCO sent a shipment of certain wafers directly to Samsung Austin in order to address technical problems with previously-supplied SUMCO wafers" (5) "SUMCO personnel made several on-site visits to Samsung Austin, during which technical presentations on the SUMCO wafers were made" and (6) "Samsung Austin will not enter into an agreement to buy wafers from a wafer supplier unless the supplier will also provide Samsung Austin with technical support for the wafers."

Citing the recent Supreme Court decision in *Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, the Federal Circuit held that a reasonable jury could conclude that SUMCO had the intent to induce infringement of the '302 patent. The case was remanded to the United States District Court for the Northern District of California for trial.