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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

SYNOPSISYS, INC.,

Plaintiff,

v.

MAGMA DESIGN AUTOMATION, INC.,

Defendant.

No. C-04-3923 MMC

**ORDER GRANTING SYNOPSISYS'S  
MOTION FOR PARTIAL SUMMARY  
JUDGMENT BASED ON DOCTRINE OF  
ASSIGNOR ESTOPPEL; VACATING  
HEARING**

(Docket No. 80)

\_\_\_\_\_/

Before the Court is the motion filed April 11, 2005 by plaintiff Synopsys, Inc. ("Synopsys") for partial summary judgment, based on the doctrine of assignor estoppel. Defendant Magma Design Automation, Inc. ("Magma") has filed opposition to the motion, to which Synopsys has replied. Having considered the papers filed in support of and in opposition to the motion, the Court finds the matter appropriate for decision without oral argument, see Civil L.R. 7-1(b), and hereby VACATES the July 8, 2005 hearing. For the reasons set forth below, the motion is GRANTED.

**BACKGROUND**

In Synopsys's Second Amended Complaint, Synopsys asserts, inter alia, a cause of action against Magma for infringement of United States Patent No. 6,738,114 ("the '114 patent"), entitled "Method for the Physical Placement of an Integrated Circuit Adaptive to

1 Netlist Changes.” (See Second Amended Complaint (“SAC”) ¶¶ 92-102 and Ex. J.) The  
2 ’114 patent identifies Lukas van Ginneken (“van Ginneken”) and Narendra V. Shenoy  
3 (“Shenoy”) as co-inventors, and identifies Synopsys as the assignee of the patent. (See id.  
4 Ex. J. at 1.)

5 Magma, in its fourth and fifth affirmative defenses, contends, based on various  
6 theories, that the ’114 patent is invalid. (See Defendant Magma Design Automation, Inc.’s  
7 Amended Answer to Complaint and Counterclaims (“Answer”) at 7:7-20.) In addition,  
8 Magma seeks, in its second counterclaim, a declaratory judgment of invalidity of the ’114  
9 patent. (See id. ¶¶ 119-123.)

10 Synopsys now moves for summary judgment on Magma’s fourth and fifth affirmative  
11 defenses and second counterclaim, based on the doctrine of assignor estoppel. Synopsys  
12 contends that Magma was in privity with van Ginneken at all relevant times and,  
13 consequently, may not challenge the validity of the ’114 patent.

## 14 LEGAL STANDARDS

### 15 A. Summary Judgment

16 Rule 56 of the Federal Rules of Civil Procedure provides that summary judgment as  
17 to “all or any part” of a claim “shall be rendered forthwith if the pleadings, depositions,  
18 answers to interrogatories, and admissions on file, together with the affidavits, if any, show  
19 that there is no genuine issue as to any material fact and that the moving party is entitled to  
20 judgment as a matter of law.” See Fed. R. Civ. P. 56(b), (c). Material facts are those that  
21 may affect the outcome of the case. See Anderson v. Liberty Lobby, Inc., 477 U.S. 242,  
22 248 (1986). A dispute as to a material fact is “genuine” if there is sufficient evidence for a  
23 reasonable jury to return a verdict for the nonmoving party. See id. The Court may not  
24 weigh the evidence. See id. at 255. Rather, the nonmoving party’s evidence must be  
25 believed and “all justifiable inferences must be drawn in [the nonmovant’s] favor.” See  
26 United Steelworkers of Am. v. Phelps Dodge Corp., 865 F.2d 1539, 1542 (9th Cir. 1989)  
27 (en banc) (citing Liberty Lobby, 477 U.S. at 255).

28 The moving party bears the initial responsibility of informing the district court of the

1 basis for its motion and identifying those portions of the pleadings, depositions,  
2 interrogatory answers, admissions and affidavits, if any, that it believes demonstrate the  
3 absence of a genuine issue of material fact. See Celotex Corp. v. Catrett, 477 U.S. 317,  
4 323 (1986). Where the nonmoving party will bear the burden of proof at trial, the moving  
5 party's burden is discharged when it shows the court that there is an absence of evidence  
6 to support the nonmoving party's case. See id. at 325.

7 Where the moving party "bears the burden of proof at trial, he must come forward  
8 with evidence which would entitle him to a directed verdict if the evidence went  
9 uncontroverted at trial." See Houghton v. South, 965 F.2d 1532, 1536 (9th Cir. 1992)  
10 (citations omitted); see also Fontenot v. Upjohn, 780 F.2d 1190, 1194 (5th Cir. 1986)  
11 (holding when plaintiff moves for summary judgment on an issue upon which he bears the  
12 burden of proof, "he must establish beyond peradventure all of the essential elements of  
13 the claim . . . to warrant judgment in his favor.") (emphasis in original).

14 A party opposing a properly supported motion for summary judgment "may not rest  
15 upon the mere allegations or denials of [that] party's pleading, but . . . must set forth  
16 specific facts showing that there is a genuine issue for trial." See Fed. R. Civ. P. 56(e); see  
17 also Liberty Lobby, 477 U.S. at 250. The opposing party need not show that the issue will  
18 be resolved conclusively in its favor. See Liberty Lobby, 477 U.S. at 248-49. All that is  
19 necessary is submission of sufficient evidence to create a material factual dispute, thereby  
20 requiring a jury or judge to resolve the parties' differing versions of the truth at trial. See id.

### 21 **B. Assignor Estoppel**

22 "Assignor estoppel is an equitable doctrine that prevents one who has assigned the  
23 rights to a patent (or patent application) from later contending that what was assigned is a  
24 nullity." Diamond Scientific Co. v. Amrico, Inc., 848 F.2d 1220, 1224 (Fed. Cir. 1988).  
25 "Without exceptional circumstances (such as an express reservation by the assignor of the  
26 right to challenge the validity of the patent or an express waiver by the assignee of the right  
27 to assert assignor estoppel), one who assigns a patent surrenders with that assignment the  
28 right to later challenge the validity of the assigned patent." Mentor Graphics Corp. v.

1 Quickturn Design Systems, Inc., 150 F.3d 1374, 1378 (Fed. Cir. 1998). “[I]t is the implicit  
2 representation by the assignor that the patent rights that he is assigning (presumably for  
3 value) are not worthless that sets the assignor apart from the rest of the world and can  
4 deprive him of the ability to challenge later the validity of the patent.” Diamond Scientific  
5 Co., 848 F.2d at 1224.

6 “The estoppel also operates to bar other parties in privity with the assignor, such as  
7 a corporation founded by the assignor.” Id. Privity, for purposes of assignor estoppel, “is  
8 determined upon a balance of the equities.” See Shamrock Technologies, Inc. v. Medical  
9 Sterilization, Inc., 903 F.2d 789, 793 (Fed. Cir. 1990). “Assessing a relationship for privity  
10 involves evaluation of all direct and indirect contacts.” See Mentor Graphics, 150 F.3d at  
11 1379. “If an inventor assigns his invention to his employer company A and leaves to join  
12 company B, whether company B is in privity and thus bound by the doctrine will depend on  
13 the equities dictated by the relationship between the inventor and company B in light of the  
14 act of infringement.” Shamrock Technologies, 903 F.2d at 793. “The closer that  
15 relationship, the more the equities will favor applying the doctrine to company B.” Id.  
16 “What is significant is whether the ultimate infringer availed itself of the inventor’s  
17 knowledge and assistance to conduct infringement.” See Intel Corp. v. U.S. International  
18 Trade Commission, 946 F.2d 821, 839 (Fed. Cir. 1991) (internal quotation and citation  
19 omitted).

20 **DISCUSSION**

21 **A. Standing**

22 Magma argues that Synopsys lacks standing to assert assignor estoppel against  
23 Magma because Synopsys is not the sole owner of the ’114 patent. According to Magma,  
24 the ’114 patent is jointly owned by Synopsys and IBM, and, as Magma correctly points out,  
25 all co-owners of a patent “normally must join as plaintiffs in an infringement suit.” See  
26 International Nutrition Co. v. Horphag Research Ltd., 257 F.3d 1324, 1331 (Fed. Cir. 2001).  
27 Whether Synopsys may sue Magma for infringement is not an issue currently before the  
28

1 Court, however.<sup>1</sup> Rather, Magma is suing Synopsys (and not IBM) for a declaratory  
2 judgment of invalidity of the '114 patent, a claim that exists independent of any infringement  
3 claim brought by Synopsys.

4 Moreover, Synopsys's assertion of assignor estoppel operates as a defense to  
5 Magma's claim of invalidity. See Metro Traffic Control, Inc. v. Shadow Network, Inc., 104  
6 F.3d 336, 340 (Fed. Cir. 1997) (referring to assignor estoppel as an "equitable defense");  
7 see also Intel, 946 F.2d at 837 (describing assignor estoppel as defense). Magma has  
8 cited no case holding that a defendant cannot defend against a claim of invalidity without  
9 first seeking to join the co-owner of the patent as a co-defendant, nor is the Court aware of  
10 any authority requiring all defendants to agree before one of them may assert a defense.  
11 As Magma has raised the issue of invalidity of the '114 patent, Synopsys may defend  
12 against it.

13 Accordingly, the Court rejects Magma's argument that Synopsys lacks standing to  
14 assert the doctrine of assignor estoppel against Magma.

15 **B. Assignor Estoppel**

16 **1. The '114 Patent and van Ginneken**

17 On July 1, 1997, Synopsys filed a United States patent application, entitled "A  
18 Method for the Physical Placement of an Integrated Circuit Adaptive to Netlist Changes"  
19 ("114 patent application"), which identified van Ginneken and Shinoy as co-inventors. (See  
20 Edelman Decl. Ex. A.) On the same date, van Ginneken and Shinoy each executed a  
21 declaration and power of attorney, in which each attests he is the "original, first and joint  
22 inventor" of the invention described in the '114 patent application. (See id. Ex. B.) In  
23 addition, on the same date, van Ginneken and Shinoy executed an assignment to  
24 Synopsys of "the entire right, title, and interest for the United States and all foreign  
25 countries, in and to any and all improvements, including the right of priority in, to, and  
26 under, the ['114 patent] application" and any patents that ultimately issued therefrom. (See

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28 <sup>1</sup> Synopsys disputes Magma's contention that IBM is a co-owner of the '114 patent.  
(See Reply at 14-15.)

1 id. Ex. C.) The '114 patent was issued on April 23, 2002. (See id. Ex. M at 1.)

2 Magma concedes that “van Ginneken is precluded from challenging the patent’s  
3 validity by the doctrine of assignor estoppel.” (See Opp. at 1.) Magma argues, however,  
4 that it is not in privity with van Ginneken, and, thus, that the doctrine of assignor estoppel  
5 does not preclude Magma from challenging the validity of the '114 patent.

## 6 **2. Privity**

7 As noted, in determining whether privity exists between an inventor/assignor and  
8 another entity for purposes of assignor estoppel, the Court must evaluate “all direct and  
9 indirect contacts,” see Mentor Graphics, 150 F.3d at 1379, and evaluate the relationship  
10 between the inventor/assignor and the entity “in light of the act of infringement,” see  
11 Shamrock Technologies, 903 F.2d at 793.

12 Here, the following facts are undisputed: In early 1997, Rajeev Madhavan  
13 (“Madhavan”) and Karen Vahtra (“Vahtra”) decided to start a company to make electronic  
14 design automation software for the design of integrated circuits. (See Madhavan Decl.  
15 ¶ 3.) At the time Magma was incorporated, on April 1, 1997, Madhavan and Vahtra were  
16 its only employees. (See id. ¶ 5.) Initially, van Ginneken declined Madhavan’s invitation to  
17 join Magma as an engineer. (See id. ¶ 6.) In late April 1997, however, van Ginneken  
18 reconsidered and contacted Madhavan to ask if the position was still available. (See id.)  
19 On April 26, 1997, Magma offered van Ginneken the position of “Principal Engineer,  
20 Synthesis,” with a starting date of May 15, 1997, which position van Ginneken accepted on  
21 April 28, 1997. (See id. and Ex. EE at 1.) On May 1, 1997, van Ginneken resigned from  
22 Synopsys. (See Edelman Decl. Ex. E.) Magma’s April 26, 1997 job offer to van Ginneken  
23 stated that van Ginneken would have “overall responsibility for the development of timing  
24 optimization capabilities,” and would report to Magma’s Vice President of Engineering, a  
25 position then occupied by Madhavan. (See Madhavan Decl. Ex. EE at 1.)

26 Moreover, in Magma’s responses to Synopsys’s requests for admission, Magma  
27 admitted that “van Ginneken was a co-founder of Magma” and that “Magma has depended  
28 substantially on [his] expertise.” (See Edelman Decl. Ex. F, responses to Requests for

1 Admission Nos. 42-43.) Magma also admitted that “van Ginneken was directly involved in  
2 the design and development” of the following Magma products: Blast Fusion, Blast Create,  
3 Blast Plan, and Blast Noise. (See id. Ex. F, responses to Requests for Admission Nos. 44-  
4 47.) Magma further admitted that it “availed itself of [ ] van Ginneken’s knowledge and  
5 assistance in the design” of the above-referenced products. (See id. Ex. F, responses to  
6 Requests for Admission Nos. 48-51.) In addition, Magma admitted that van Ginneken “was  
7 instrumental in taking Blast Fusion from a concept to a production-ready software used  
8 worldwide.” (See id. Ex. F, response to Requests For Admission No. 18.) Synopsys, in its  
9 preliminary infringement contentions, identifies Blast Fusion, Blast Create, Blast Plan, and  
10 Blast Noise as Magma products that infringe the ’114 patent. (See Simmons Decl. Ex.  
11 BB.)<sup>2</sup>

12         Given these admissions, Synopsys argues, Magma has conceded that Magma  
13 availed itself of van Ginneken’s knowledge and assistance in creating the allegedly  
14 infringing products, and, consequently, that the doctrine of assignor estoppel bars Magma  
15 from challenging the validity of the ’114 patent. See Intel Corp. v. U.S. International Trade  
16 Commission, 946 F.2d at 839 (“What is significant is whether the ultimate infringer availed  
17 itself of the inventor’s knowledge and assistance to conduct infringement.”)

18         In response, Magma argues that van Ginneken was not a “founder” of Magma in the  
19 usual sense, and had no control over Magma because he was not an officer or board  
20 member, never managed other Magma employees, and never exercised control over  
21 Magma through his stock ownership. (See Opp. at 1; Madhavan Decl. ¶¶ 7, 11.)  
22 Madhavan attests that “[c]onsistent with the general practice in Silicon Valley, at Magma  
23 the label ‘founder’ simply refers to those who began working at the company before the first  
24 significant financing was closed and received shares at the ‘founder’ share price.” (See id.

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26         <sup>2</sup> Synopsys also notes that Magma has admitted that van Ginneken is “a key  
27 architect of the patent-pending Fixed Timing methodology, the core technology for all  
28 Magma’s solutions.” (See id. Ex. F at 2:10-24.) There is no evidence before the Court,  
however, that “Fixed Timing methodology” relates in any way to the invention claimed by  
the ’114 patent.

1 ¶ 9.) According to Madhavan, “even junior engineers can be labeled ‘founders.’” (See id.)  
2 Magma does not contend, however, that van Ginneken was a junior engineer. Rather,  
3 Magma acknowledges that, at the time van Ginneken was hired, he was one of only three  
4 persons with the title “Principal Engineer.” (See id. ¶ 8 and Ex. DD.) Indeed, van Ginneken  
5 was identified as a “key employee” in an April 30, 1997 document by which Magma  
6 adopted its corporate bylaws. (See id. Ex. DD at 2.)

7 Magma next argues that van Ginneken did not make a “significant” contribution to  
8 the “allegedly infringing portions” of Magma’s products. (See Opp. at 7.) As Magma  
9 correctly notes, the ’114 patent claims various “computer controlled method[s] for placing  
10 cells in a placement area” in an integrated circuit. (See Compl. Ex. J (’114 patent) at 2:12-  
11 14; 6:56-57, 7:13-15, 8:6-8.)<sup>3</sup> Magma presents evidence that the software that performs  
12 the placement is referred to as a “placer.” (See Madhavan Decl. ¶ 12.) According to  
13 Madhavan, van Ginneken “had only minimal involvement in the development of Magma’s  
14 placers, was not the architect of Magma’s placers, and was not necessary for the  
15 development of any Magma placer.” (See id. ¶ 13.) Moreover, Madhavan attests, van  
16 Ginneken was “never the primary developer of a Magma placer and was never responsible  
17 for writing or maintaining any Magma placer.” (See id.) According to Madhavan, Hamid  
18 Savoj (“Savoj”), who also was a Principal Engineer and founder of Magma, “was the  
19 engineer at Magma initially responsible for the development of Magma’s placers.” (See id.)  
20 In addition, Koen van Eijk (“van Eijk”), who joined Magma as a Senior Software Engineer in  
21 April 2000, attests that “van Ginneken had no significant involvement in developing or  
22 maintaining the source code for Magma’s placers” after late 2000, (see van Eijk Decl. ¶ 5),  
23 and Joe Hutt, who joined Magma as Vice President of Engineering in May 1998, attests  
24 that “[v]irtually none of the software that van Ginneken developed was ultimately utilized in  
25 the placers incorporated in Magma products,” (see Hutt Decl. ¶ 6.) Hutt also attests that

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27 <sup>3</sup> Synopsys argues that the invention claimed by the ’114 patent also includes “the  
28 performance of synthesis before rough placement, and numerous elements that can occur  
after placement.” (See Reply at 12 (emphasis in original).)



1 Magma has developed multiple placers and that van Ginneken was involved only in the  
2 development of the “Eisenmann placer”<sup>4</sup> and “had little, if any, involvement in the  
3 development of the other placers.” (See id. ¶ 7.)

4 Magma, however, does not claim that van Ginneken had no involvement in the  
5 design and development of the portions of its products that are alleged to infringe the ’114  
6 patent. Moreover, Magma does not attempt to retract its admissions that van Ginneken  
7 “was directly involved in the design and development” of four of the products alleged to  
8 infringe the ’114 patent, or that Magma “availed itself of [ ] van Ginneken’s knowledge and  
9 assistance in the design” of those products. (See Edelman Decl Ex. F, responses to  
10 Requests for Admission Nos. 44-51.) Nor does Magma attempt to retract its admission that  
11 van Ginneken “was instrumental in taking Blast Fusion,” one of the products alleged to  
12 infringe the ’114 patent, “from a concept to a production-ready software used worldwide.”  
13 (See id. Ex. F, response to Requests For Admission No. 18.) Moreover, Synopsys has  
14 submitted to the Court a document, produced by Magma in discovery, which states that  
15 van Ginneken “manages the placement group” at Magma. (See Edelman Reply Decl. ¶ 9  
16 and Ex. H at 0409272; see also id. Ex. I at LVG3 (noting that van Ginneken “managed  
17 placement group” while working at Magma).) Finally, van Ginneken has submitted a  
18 declaration in which he attests, albeit without specific reference to the ’114 patent, that he  
19 and Magma “used the inventions that [he] had conceived while employed at Synopsys as a  
20 technical foundation for Magma’s products” and that Magma “incorporated Synopsys’  
21 inventions into Magma’s product line.” (See van Ginneken Decl. ¶¶ 31, 34.)

22 Viewed in the light most favorable to Magma, the evidence shows van Ginneken  
23 was directly involved in the design and development of four of the products alleged to  
24 infringe the ’114 patent, and managed the activities of Magma’s placement group, but had  
25 little direct involvement with the “placers” incorporated in the products that are alleged to  
26 infringe that patent.

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28 <sup>4</sup> There is no evidence as to whether the Eisenmann placer is used in any of  
Magma’s products that are alleged to infringe the ’114 patent.

1 The Federal Circuit, however, has not required that the assignor be personally  
2 involved in designing the allegedly infringing aspects of a product before finding the  
3 doctrine of assignor estoppel applicable. In Mentor, for example, the Federal Circuit  
4 applied the doctrine of assignor estoppel where the assignor, Mentor, had no involvement  
5 in the creation of the allegedly infringing product, but only in the marketing of the product.  
6 See Mentor, 150 F.3d at 1376. In that case, Mentor had assigned a patent for hardware  
7 emulation technology (“the ‘473 patent”) to another company, Quickturn. See id.  
8 Thereafter, Mentor bought a company, Meta, which had developed hardware emulation  
9 technology independent of Mentor and Quickturn. See id. When Quickturn asserted that  
10 Meta’s technology infringed the ‘473 patent Quickturn had purchased from Mentor, Mentor  
11 filed an action for a declaratory judgment of invalidity of the ‘473 patent. See id. at 1377.  
12 The Federal Circuit applied the doctrine of assignor estoppel to bar both Mentor and Meta  
13 from challenging the ‘473 patent. See id. at 1378-79.

14 The Federal Circuit found Mentor was barred because it had assigned the patent to  
15 Quickturn for value, and the sales agreement did not reserve to Mentor the right to assert a  
16 challenge based on invalidity nor did it include a waiver of Quickturn’s right to assert  
17 assignor estoppel. See id. at 1378. The Federal Circuit found Meta, likewise, was barred  
18 because it was in privity with Mentor, which now owned and controlled Meta’s operations.<sup>5</sup>  
19 Meta thus was precluded from challenging the ‘473 patent because the assignor of that  
20 patent, Mentor, controlled Meta’s current operations, even though Mentor had no role in  
21 creating the allegedly infringing technology. In the instant case, although Magma contends  
22 van Ginneken, the patent assignor, had little involvement in creating the precise  
23 components that are alleged to infringe, Mentor demonstrates that assignor estoppel may  
24 apply even where the assignor had no involvement at all in creating the infringing  
25 technology.

26 Nor is control of the allegedly infringing entity a prerequisite. In Intel, the Federal

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28 <sup>5</sup> The court found it irrelevant that Meta was merely “continuing the business it was  
in before the sale” to Mentor. See id.

1 Circuit applied the doctrine of assignor estoppel where there was no finding that the  
2 assignor had any control over the entity found to be in privity with him. See Intel, 946 F.2d  
3 at 838-839. There, the Federal Circuit applied the doctrine of assignor estoppel against  
4 two corporations identified collectively therein as GI/M, and barred GI/M from challenging  
5 the validity of certain patents owned by Intel relating to Erasable Programmable Read-Only  
6 Memories (“EPROMS”). See id. In so holding, the Federal Circuit based its finding of  
7 privity on the following contacts between GI/M and Perlegos, one of the inventors who had  
8 assigned the patents to Intel: (1) GI/M was involved in a joint venture to develop EPROM  
9 designs and processes with a company, Atmel, that was controlled by Perlegos; (2) Atmel  
10 transferred certain EPROM designs and processes to GI/M; (3) the joint venture led to the  
11 creation of some of the allegedly infringing EPROMs; (4) Perlegos personally went to Korea  
12 to find a company to produce EPROMs for GI/M, and the allegedly infringing EPROMs  
13 ultimately were made by that company; (5) Perlegos’s company, Atmel, was dependent on  
14 GI/M for financing; and (6) Perlegos entered into a personal indemnification agreement with  
15 GI/M. See Intel, 946 F.2d at 838.

16       Significantly, there was no finding that Perlegos had any control over GI/M. Rather,  
17 Atmel was “completely dependent” on GI/M for financing, and GI/M personnel served on  
18 Atmel’s board of directors. See id. Instead of relying on Perlegos’ control of GI/M, the  
19 Federal Circuit, noting “[w]hat is significant is whether the ultimate infringer availed itself of  
20 the inventor’s ‘knowledge and assistance’ to conduct infringement,” held “GI/M  
21 unquestionably availed itself of the inventor’s, and Atmel’s[,] knowledge and assistance.”  
22 See id. at 839. As that court explained: “The allegedly infringing EPROMs were the  
23 product of the Atmel-GI/M joint development program, and the services of George Perlegos  
24 were an important component of that program from its inception.” See id. Similarly, in the  
25 instant case, it is undisputed that van Ginneken’s knowledge and services were an  
26 important component in the development of at least four Magma products that are alleged  
27 to infringe the ’114 patent. That van Ginneken lacked control over Magma is not  
28

1 dispositive.<sup>6</sup>

2 In sum, it is undisputed that van Ginneken assigned the '114 patent to Synopsys for  
3 value, that he did not retain the right to challenge the validity of the patent, and that  
4 Synopsys did not waive its right to assert assignor estoppel. It is similarly undisputed that  
5 van Ginneken then left Synopsys to work for Magma, where he had a key role in  
6 developing at least four Magma products that are alleged to infringe the '114 patent, and at  
7 least some role in developing the allegedly infringing portions of the products. No more is  
8 required for the application of assignor estoppel against Magma. See, e.g., Intel, 946 F.2d  
9 at 839.

### 10 CONCLUSION

11 For the reasons set forth above, Synopsys's motion for partial summary judgment  
12 based on the doctrine of assignor estoppel is GRANTED, and the Court hereby GRANTS  
13 summary judgment in favor of Synopsys with respect to Magma's fourth and fifth affirmative  
14 defenses, and second counterclaim, each of which alleges invalidity of the '114 patent.

15 This order terminates Docket No. 80.

16 **IT IS SO ORDERED.**

17 Dated: July 1, 2005

/s/ Maxine M. Chesney  
MAXINE M. CHESNEY  
United States District Judge

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23 <sup>6</sup> The Court finds unpersuasive the Delaware district court's unpublished decision in  
24 Acushnet Co. v. Dunlop Maxfli Sports Corp., 2000 WL 987979 (D. Del. 2000), upon which  
25 Magma relies. In that case, the district court would appear to reject application of assignor  
26 estoppel in any case where the inventor/assignor lacks control over the company alleged to  
27 infringe the assigned patent. See id. at \*3. Such holding conflicts with the Federal Circuit's  
28 holding in Intel that the key factor is whether the infringing company uses the assignor's  
knowledge and assistance to conduct infringement. See Intel, 946 F.2d at 141. Indeed,  
the Federal Circuit found, in Intel, that GI/M was in privity with the inventor/assignor,  
Perlegos, and thus barred by the doctrine of assignor estoppel from challenging the validity  
of the assigned patent, where there was no control by the assignor or his company over the  
estopped entity. Rather, what the Federal Circuit found persuasive was the "closeness of  
the relationship" among them. See Intel, 940 F.2d at 838.