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Innervation, Freescale Settle Chip Patent Row

By **Samuel Howard**

Law360, New York (November 05, 2009) -- Innervation Inc. and Freescale Semiconductor Inc. have agreed to settle a patent suit brought by the medical device maker accusing several major electronics companies, including Sony Corp. and Toshiba America Inc., of infringing a patent for integrated circuit technology.

Innervation and Freescale on Wednesday asked Judge Catherine C. Blake of the U.S. District Court for the District of Maryland to dismiss the parties' claims and counterclaims.

Each side proposes to bear its own costs and fees incurred in the litigation, but no other details about the settlement were immediately available.

Todd G. Vare, an attorney for Innervation and partner at Barnes & Thornburg LLP, confirmed that the parties negotiated a settlement.

"Innervation and Freescale have resolved their dispute on mutually acceptable terms and Freescale is licensed to Innervation's patents," Vare said. "The specific terms of the agreement are confidential."

A spokesman for Freescale similarly acknowledged the settlement and licensing deal.

In July, Freescale rebuffed the infringement allegations and sought declaratory judgment for invalidity and noninfringement of U.S. Patent Number 6,297,668, titled "Serial device compaction for improving integrated circuit layouts."

Innervation and its patent-holding subsidiary filed suit in June, alleging Sony's image sensors and processors infringe the '668 patent, as well as Fujitsu Microelectronics America Inc.'s controllers, Toshiba's microcontroller and Freescale's baseband processors.

The suit is still pending against the other defendants.

Innervation, created in July 2006, focuses on providing diagnostic tools for diseases and disorders of the gastrointestinal tract. The company is working on developing a type of endoscopy technology to scan and image the gastrointestinal tract without using invasive surgery.

The company acquired the patent-in-suit from NanoPower Technologies Inc. in February.

Fujitsu had prior notice of the '668 patent, and its infringement has therefore been willful, the complaint alleges. Innervation is seeking treble damages for infringement at least against Fujitsu.

The other defendants have not been accused of acting willfully.

The patent-in-suit is U.S. Patent Number 6,297,668.

Innervation is represented by Barnes & Thornburg LLP.

Freescale is represented by Jones Day.

The suit is Innervation Inc. et al. v. Sony Corp. of America et al., case number 09-cv-01416, in the U.S. District Court for the District of Maryland.

-- Additional reporting by Jocelyn Allison