

13 September 2004



TECHNOLOGY LAW UPDATE

A report of the latest Federal Circuit updates brought to you by Preston Gates.

Int'l Rectifier Corp. v. IXYS Corp.

No. 04-1014 (Fed. Cir. Sept. 13, 2004)

“[T]he only acts the injunction may prohibit are infringement of the patent by the adjudicated devices and infringement by devices not more than colorably different from the adjudicated devices.”

On September 13, 2004, the Federal Circuit affirmed-in-part, vacated-in-part and remanded the district court's judgment that, *inter alia*, permanently enjoined IXYS from infringing U.S. Patent No. 6,476,481, which related to semiconductor device “packages.” The Federal Circuit stated:

In accord with the policy of Rule 65(d), the Supreme Court has denounced broad injunctions that merely instruct the enjoined party not to violate a statute. Such injunctions increase the likelihood of unwarranted contempt proceedings for acts unlike or unrelated to those originally judged unlawful. In the patent infringement context, this court has rejected as overly broad a permanent injunction that simply prohibits future infringement of a patent. [We have] vacated an injunction that “forever barred” the adjudged infringer from infringing the patent at issue. That injunction failed to satisfy the requirements of Rule 65(d) because it lacked specific terms and a reasonably detailed description of the acts sought to be restrained. Furthermore, the order failed to state which acts constituted infringement or to expressly limit its prohibition to the manufacture, use, or sale of the specific device found to infringe, or devices no more than colorably different from the infringing device.

[Similarly,] the trial court's injunction in this case does not meet the specificity requirements of Rule 65(d). The injunctive language set forth in the trial court's judgment prohibits infringement by “any device covered by one or more of Claims 1 through 5” of the '481 patent. On its face the injunction applies to many more devices than those actually adjudicated. Indeed, by its terms the injunction applies to “any device” made or sold by IXYS that is within the scope of the patent claims. The actual scope of the injunction cannot be that expansive, however, because this court has held that “contempt proceedings . . . are available only with respect to devices previously admitted or adjudged to infringe, and to other devices which are no more than colorably different therefrom and which clearly are infringements of the patent.” Therefore, the only acts the injunction may prohibit are infringement of the patent by the adjudicated devices and infringement by devices not more than colorably different from the adjudicated devices. In order to comply with Rule 65(d), the injunction should explicitly proscribe only those specific acts.

IR asserts that it is unnecessary to expressly limit an injunction to devices found to infringe and those not more than colorably different therefrom because, regardless of the precise language used, a district court, applying Federal Circuit law, will interpret an injunction to be so limited in a contempt proceeding. That argument misses the point. The question before us is not how to deal with enforcement of an overly broad injunction that has previously issued, but how to insure that overly broad injunctions do not issue in the first instance. If a trial court is faced with an overly broad injunction during a contempt proceeding, the court should interpret it according to the rule of law [that] alleviates the unreasonableness of broad prohibitions against “infringement” of a “patent” [and] by requiring specificity in the wording of injunctions, protects enjoined parties from unwarranted contempt proceedings.

[A]s a general proposition district courts should have wide latitude in framing injunctions to meet particular circumstances. That, however, is not license to fashion injunctions that fall outside the dictates of Rule 65(d). The rule requires an injunction to prohibit only those acts sought to be restrained, which in this case are infringement of the patent by the devices adjudged to infringe and infringement by devices no more than colorably different therefrom.