

Syntrix Wins \$96M Verdict Against Illumina In DNA Patent Suit

By **David McAfee**

Law360, Los Angeles (March 14, 2013, 10:47 PM EDT) -- A federal jury on Thursday returned a verdict for \$96 million in favor of biotechnology research firm Syntrix Biosystems Inc., finding that Illumina Inc. has infringed and induced others to infringe a patent covering DNA technology held by Syntrix.

Thursday's jury verdict marks an end to the patent suit filed by Syntrix in November 2010 alleging that Illumina willfully infringed the patent, misappropriated trade secrets and breached a contract the companies struck when they were considering a partnership in 2000.

At trial, Syntrix pursued claims of past and continued direct and indirect infringement of its patent covering synthetic matrix and array technology. The verdict in favor of Syntrix was reached after 11 days at trial before U.S. District Judge Benjamin H. Settle, according to a verdict notice filed Thursday evening.

Alan D. Albright of Bracewell & Giuliani LLP, who represents Syntrix, said his client has finally been vindicated.

"Dr. [John] Zebala came up with this invention in 1997, and he has been waiting for his day in court and for a jury to hear his claim of patent infringement," Albright told Law360 on Thursday. "My client has been vindicated, knowing that his patent was the foundation of a product sold by Illumina."

The jury on Thursday awarded Syntrix \$95,795,507 in damages and a 6 percent royalty rate, according to Albright.

The jury denied Illumina's arguments that the patent is invalid because it was anticipated by prior art and did not contain an adequate written description of the claims.

According to the suit, Syntrix and Illumina entered into a nondisclosure agreement in January 2000, under which Illumina agreed to refrain from using any of Syntrix's trade secret information "for any purpose except to evaluate and engage in discussions concerning a potential business relationship" between the companies.

While the agreement was in place, a Syntrix employee provided Illumina with a copy of its application for U.S. Patent Number 6,951,682, which had not yet been issued by the U.S. Patent and Trademark Office, Syntrix claimed.

In February 2000, Illumina filed a provisional patent application containing facts and figures that "closely resemble" those provided by Syntrix under the agreement, the original complaint said.

Syntrix's '682 patent, titled "Porous coatings bearing ligand arrays and use thereof," was issued in

2005.

The plaintiff did not learn about Illumina's similar provisional application until June 2010, according to the suit.

Syntrix argued that Illumina has since made and sold items, including Illumina's DNA- and RNA-analyzing BeadChip and Array Matrix products, that infringe the '682 patent.

According to the suit, Syntrix contacted Illumina in January 2007 to offer Illumina a license agreement for the '682 patent, but the companies never reached a deal.

Syntrix also claims that in 2008, Illumina filed a re-examination petition with the USPTO, asserting that the '682 patent's claims were not patentable.

In June 2010, the USPTO issued a re-examination certificate for the patent that included two "minor amendments" to its claims, according to the complaint.

Judge Settle granted summary judgment on Syntrix's trade secret claims, leaving the patent claims to be pursued at trial.

A federal jury on Thursday found in favor of Syntrix for each of its patent claims and awarded the company \$95,795,507 in damages.

The patent-in-suit is U.S. Patent Number 6,951,682.

Representatives for the Illumina didn't immediately return requests for comment Thursday.

Syntrix is represented by Derek T. Gilliland and Edward Chin of Nix Patterson & Roach LLP and Alan D. Albright and Michael R. Samardzija of Bracewell & Giuliani LLP.

Illumina is represented by David B. Rosenbaum and Erick S. Ottoson of Osborn Maledon PA.

The case is Syntrix Biosystems Inc. v. Illumina Inc., case number 10-cv-05870, in the U.S. District Court for the Western District of Washington.

--Additional reporting by Megan Stride. Editing by Kat Laskowski.