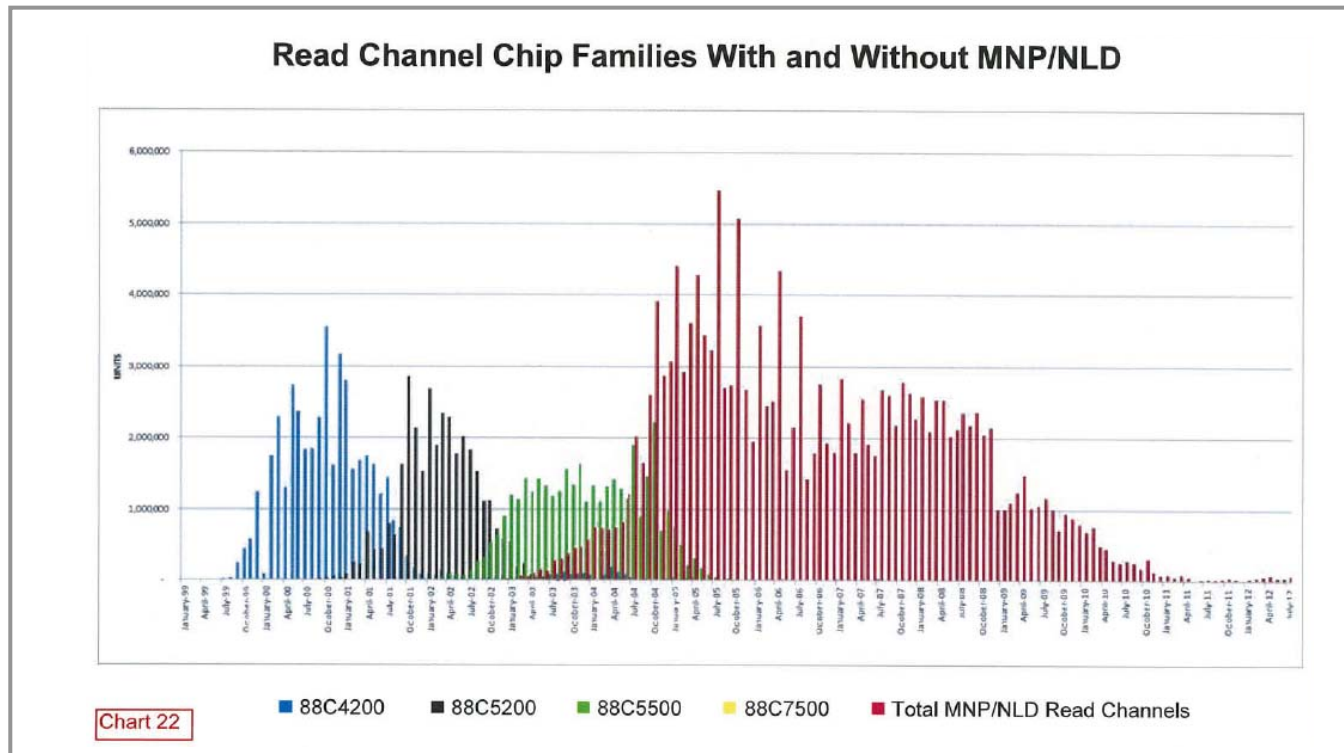


EXHIBIT C Part 2

Substantial Evidence Supports the Damage Award

CMU proved its damages case

Marvell would not have made any sales if it had not used CMU's patented method in the United States



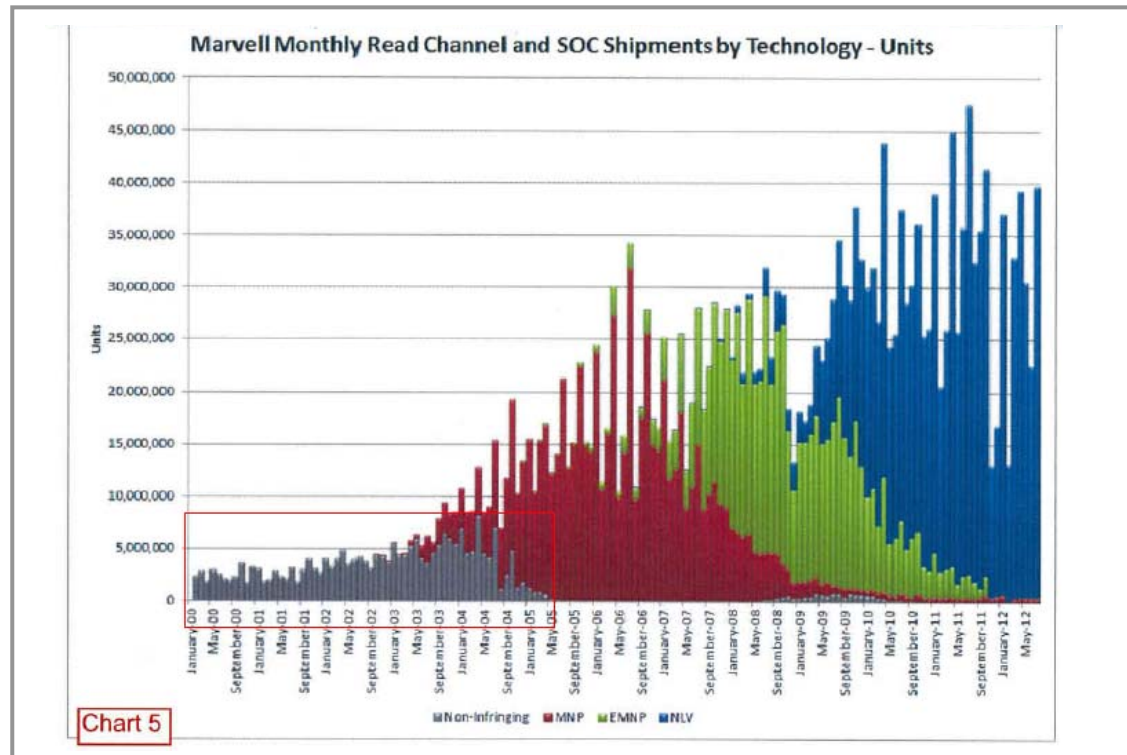
P-Demo 13

Marvell's sales were declining before it adopted CMU's patented method.

Substantial Evidence Supports the Damage Award

CMU proved its damages case

Marvell would not have made any sales if it had not used CMU's patented method in the United States



Marvell's sales of non-infringing chips dropped to zero.

Substantial Evidence Supports the Damage Award

CMU proved its damages case

Marvell would not have made any sales if it had not used CMU's patented method in the United States



Q Okay. Sir, do you have an opinion about whether or not the accused technology in this case became an industry standard technology?

A Yes, I do.

Q And what is that opinion?

A That it indeed became a standard technology in the industry.

Dr. Bajorek, 12/4/12 Tr. at 109:17-23

So, Dr. Bajorek, do you have an opinion about what happens if a company like Marvell fails to provide the industry standard technology to its customers?

A It would fall behind or -- and it could fail; it could fail.

Q Why?

A Because they would fail in qualifying chips. It would not achieve design wins. And failure to achieve design wins would result in zero chip sales.

Dr. Bajorek, 12/4/12 Tr. at 117:3-11

CMU's patented method became "industry standard."

Substantial Evidence Supports the Damage Award

CMU proved its damages case

Marvell would not have made any sales if it had not used CMU's patented method in the United States

From: [REDACTED]
To: [REDACTED]
Subject: [REDACTED]

Sent: Friday, August 8, 2008 4:50 PM

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Zi-Ning has been with Marvell for the past 9 years working in the Data Storage Signal Processing team. In the past few years, Zi-Ning has helped me in the definition of our Read Channel roadmap along with his main responsibility of developing our Read Channel architectures and algorithms. In addition, Zi-Ning has been involved in many technical engagements with our Data Storage customers to strengthen Marvell's position with existing customers and to establish new relationships with potential customers. Working with our Read Channel VLSI team and our Data Storage SOC design teams, Zi-Ning and his DSP team have been instrumental in the development of the Media Noise Processor (MNP) and Advance ECC (AECC) for our Data Storage products. The introduction of these technologies has helped firmly establish Marvell as the market leader in the HDD IC business.

[REDACTED]

P-703

Infringement helped make Marvell the market leader.

Substantial Evidence Supports the Damage Award



Marvell's causal link arguments fail the JMOL test

Marvell's argument is wrong as a matter of law



A “but for” or “proximate” cause need not be the “sole factor or sole cause.”

See Cal. Fed'l Bank v. United States, 395 F.3d 1263, 1268 (Fed. Cir. 2005)

- **The Court properly rejected Marvell's request to add “solely” or “only” to the jury instructions**

12/20/12 Tr. at 6-9

Substantial Evidence Supports the Damage Award



Marvell's causal link arguments fail the JMOL test

Marvell's argument is wrong as a matter of law

- This is NOT an Entire Market Value case

As both parties and the Court have recognized, Ms. Lawton does not use the entire market value rule to calculate her royalty rate. (Docket Nos. 515, 567, 591).

Dkt. 604 at 6-7



The Federal Circuit has contrasted various “but for” causation scenarios with EMVR cases, where the plaintiff has a “*higher burden of proof*” and must show that the patented technology “*drove demand*” for the accused product.

See *LaserDynamics v. Quanta Computer Inc.*, 694 F.3d 51, 68 (Fed. Cir. 2012)

Substantial Evidence Supports the Damage Award



Marvell's causal link arguments fail the JMOL test

Marvell's argument is wrong as a matter of fact



Dr. Bajorek, do actions speak louder than words?

MR. JOHNSON: Objection.

THE COURT: Overruled.

THE WITNESS: They do.

BY MR. GREENSWAG:

Q How so?

A The proof is in the pudding. I mean you could argue all you want. But, no, these customers are not dummies. They wouldn't have bought the chips if they didn't plan to use them.

Dr. Bajorek,
12/4/12 Tr. at
243:9-18

Customers demanded CMU's accused invention.

Substantial Evidence Supports the Damage Award



Marvell's causal link arguments fail the JMOL test

Marvell's argument is wrong as a matter of fact



Q. Right. Okay. And do you recall the next Marvell -- the next Western Digital drive program that included a Marvell chip that had the capability of enabling the MNP technology?

A. That would be with the Doheny 2 SoC.

Q. Right. And so with respect to the Doheny 2 SoC, did you also investigate whether or not the Marvell chip had the MNP technology enabled?

A. By looking at the register sets, the Doheny 2 had the MNP technology enabled.

A. And the initial chips that we got with MNP technology, at the starting they were not enabled for the Grand Slam 3. And when we went down to the SoC version and when we did further testing, that's when we found gains and started to enable the MNP technology.

Q. Right. So in order to confirm that every single Western Digital drive that used the Doheny 2 in production, you would need to go to the firmware that was used for those drives?

A. That is correct. But in terms of features, once they are enabled, we generally don't go back and disable the feature unless there are issues that have come up.

Mr. Yeo,
JX-B at 124:4-13,
130:15-20, 150:12-19

Western Digital's **actions** contradict Mr. Baqai's **claim** that Western Digital did not want CMU's invention -- Western Digital enabled the MNP and NLD in infringing modes on programs that went to volume production.

Substantial Evidence Supports the Damage Award



Marvell's causal link arguments fail the JMOL test

Marvell's argument is wrong as a matter of fact



So those are just portions along with what Mr. McElhinny cited that could indicate to a jury -- a reasonable jury that this was technology that customers indeed wanted.

12/6/12 Tr. at 6-7 (Denying a Marvell motion to strike damages testimony)

Customers wanted CMU's invention.

Issues Addressed

Substantial Evidence Supports the Damages Award

Power Integrations Supports the Verdict

Substantial Evidence Supports the
\$0.50 Royalty Rate

Marvell's Attacks On The Number Of Accused Chips
Used In The U.S. Are Irrelevant, Waived And Baseless

Marvell Is Not Entitled
To A New Trial Or Remittitur

Power Integrations Supports the Verdict



The Federal Circuit affirmed that it is “established law” that “once a patentee demonstrates an underlying act of domestic infringement, the patentee is entitled to receive full compensation for ‘any damages’ suffered as a result of the infringement.”

See Power Integrations v. Fairchild Semiconductor Int’l, Inc., 711 F.3d 1348, 1370-71 (Fed. Cir. 2013)

- **The Federal Circuit did not determine if or when the presumption against extraterritorial application trumps the principle of full compensation**
- **The Federal Circuit did not set out new requirements about how to value an infringer’s unlawful use of an invention**

Power Integrations Supports the Verdict

***Power Integrations* did not establish that extraterritoriality trumps “full compensation”**

The Federal Circuit did not resolve any purported conflict between the fundamental principles of “full compensation” and extraterritoriality because the conduct in *Power Integrations* was “**entirely extraterritorial**”



Because the conduct there was “**entirely extraterritorial**,” the Federal Circuit relied on black letter law (**not applicable here**) that “U.S. patent law does not operate extraterritorially to prohibit infringement abroad” or provide “compensation for... foreign exploitation of a patented invention....”

See Power Integrations v. Fairchild Semiconductor Int’l, Inc., 711 F.3d 1348, 1371 (Fed. Cir. 2013)



As the district court noted, “although Fairchild attempts to pit the Supreme Court’s decision in *Microsoft* and the years of Supreme Court precedent preceding it against the *Rite-Hite* decision, the Court does not believe that the cases are at odds with one another.”

See Power Integrations v. Fairchild Semiconductor Int’l, Inc., 589 F. Supp. 2d 505, 510 (D. Del. 2008)

Power Integrations Supports the Verdict

***Power Integrations'* holding is based on failure of proof**



“*[U]nder the facts of this case*, the underlying question here remains whether Power Integrations is entitled to compensatory damages for injury *caused by infringing activity that occurred outside the territory of the United States.*”

See Power Integrations v. Fairchild Semiconductor Int'l, Inc., 711 F.3d 1348, 1371 (Fed. Cir. 2013)



“*[T]he district court correctly concluded that there was ‘no legal basis that supports the jury award in the amount of \$33 million’ because Dr. Troxel’s estimate of \$30 million in damages was not ‘rooted in Fairchild’s activity in the United States.’* Indeed, Dr. Troxel testified on cross-examination that he *did not quantify an amount of damages based on any offer for sale by Fairchild in the United States.*”

See Power Integrations v. Fairchild Semiconductor Int'l, Inc., 711 F.3d 1348, 1372 (Fed. Cir. 2013)

Marvell disregards the facts of *Power Integrations* in a vain attempt to exploit the principle of extraterritoriality.

Power Integrations Supports the Verdict

***Power Integrations*' "rooted in" legal standard is appropriate**



When considering whether the principles of extraterritoriality are applicable, the court should consider “the focus of congressional concern.”

See Morrison v. Nat'l Australia Bank Ltd., 130 S.Ct. 2869, 2884 (2010)



Under Copyright Act, which likewise has no extraterritorial application, plaintiff can “collect damages from foreign violations that are directly linked to U.S. infringement” through the predicate act doctrine.

See Tire Eng'g & Distrib., LLC v. Shandong Linglong Rubber Co., 682 F.3d 292, 306-07 (4th Cir. 2012) (citing *Sheldon v. Metro-Goldwyn Pictures Corp.*, 106 F.2d 45, 52 (2d Cir. 1939) (L. Hand, J.))

The Damages Award is “Rooted In” Marvell’s Conduct in the U.S.

