

Text excerpted from Answer and Counterclaim filed by Vicor Corporation October 4, 2011

SynQor, Inc., v. Cisco Systems, Inc., and Vicor Corporation
U.S. District Court, Eastern District of Texas, Civil Action No. 2:11-cv-54-TJW-CE

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Massachusetts General Laws Chapter 93A

57. Vicor and SynQor are competitors in the market for bus converters. Vicor's bus converters are based on Vicor's own patented Sine Amplitude Converter (SAC) topology. Unlike the designs disclosed in the SynQor Patents, Vicor's SAC topology is a full-resonant converter topology, in which the voltage across the primary power transformer winding is constantly oscillating.
58. The SynQor Patents expressly distinguish their alleged inventions from full resonant converter topologies, such as the Vicor SAC topology. In particular, the SynQor Patents state the alleged inventions have voltage waveforms with "short transitions" that are distinct from the voltage waveforms in full-resonant converters. SynQor repeated this distinction during the '207 reexamination, when it told the PTO that certain prior art was distinct from the inventions claimed in the '190 patent because the prior art was "resonant" and thus did not have the "short" transitions required by SynQor's patent claims.
59. Prior to commencing this action, SynQor brought an action in this Court entitled *SynQor, Inc. v. Artesyn Technologies, Inc., et al.*, (C.A. No. 2:07-CV-497-TJW-CE) ("the '497 case"). In the '497 case, SynQor alleged that the SynQor Patents were infringed by various bus converters manufactured and sold by the defendants in that case. The '497 case was tried in December, 2010. During trial of the '497 case, SynQor represented to the Court and the jury that Vicor's bus converters would infringe SynQor Patent claims requiring "short" transitions, and were thus not non-infringing alternatives to the accused products, without informing the Court or jury that Vicor's bus converters were resonant converters. Upon information and belief, SynQor made its representations in the '497 case with the knowledge that Vicor bus converters are resonant converters, and thus, according to SynQor's own statements to the PTO, could not infringe the "short" transition claims. Upon information and belief, SynQor's representations were made in bad faith in an attempt to dissuade customers and potential customers from purchasing bus converters from Vicor.
60. On January 28, 2011, SynQor filed the present suit against Vicor, accusing Vicor of infringing claims of the '190, '021 and '702 patents. Shortly thereafter, on February 8, 2011, SynQor filed a motion for a preliminary injunction against Vicor, in which it identified specific claims of the '190, '021, and '702 patent that it alleged were infringed by Vicor's SAC bus converters. All of the claims of the '190 patent and '702 patent that SynQor alleged were infringed by Vicor required "short" transitions.
61. After SynQor commenced this action against Vicor, Vicor presented it with proof that its converters were resonant converters and did not have short transitions. Nonetheless, SynQor, having withdrawn its preliminary injunction motion on the eve of the Court's hearing, has refused to withdraw its infringement allegations, and continues to prosecute its claims of patent infringement against Vicor in this action.
62. At the time SynQor filed this suit, all of the claims of the '190 patent and the '021 patent had been rejected as unpatentable in reexaminations before the PTO. On February 25,

2011, less than one month after SynQor filed its suit, all of the claims of the '702 patent were also found to be unpatentable in a reexamination.

63. Upon information and belief, SynQor made the decision to file the present suit, and has continued to prosecute that suit, with full knowledge that all of Vicor's bus converters are based on the resonant SAC topology, do not have short transitions, and thus do not infringe any claims of the SynQor Patents that required "short" transitions.
64. Upon information and belief, SynQor made the decision to file the present suit, and has continued to prosecute it, with full knowledge that the claims of the '190, '021 and '702 patent claimed subject matter that was anticipated and/or obvious over the prior art (as evidenced by the rejections of those claims in PTO reexaminations), and thus were invalid. Upon information and belief, at the time SynQor decided to file suit against Vicor, and at other relevant times, SynQor lacked a good faith basis for believing that any Vicor products infringed any valid claim of the '190, '021 or '702 patents.
65. On September 20, 2011, SynQor filed an amended complaint in the present action, repeating its earlier assertions that Vicor infringed the '190, '021 and '702 patents, further asserting that Vicor infringed the '290 patent. SynQor procured the '290 patent through inequitable conduct, and lacked a good faith basis for believing that any Vicor products infringed any valid and enforceable claim of the '290 patent. Upon information and belief, at the time SynQor decided to file its amended complaint against Vicor, and at other relevant times, SynQor lacked a good faith basis for believing that any Vicor products infringed any valid and enforceable claim of the '290 patent.
66. SynQor's allegations that Vicor infringes valid claims of the '190, '021, '702, and '290 are objectively baseless.
67. Upon information and belief, SynQor has made its allegations that Vicor infringes claims of the '190, '021, '702, and '290 patents in bad faith.
68. Upon information and belief, SynQor has, in bad faith, publicized its allegations that Vicor infringes the '190, '021, '702 and '290 patents, and has specifically informed and/or threatened Vicor's customers and potential customers concerning those allegations, with the intent and effect of dissuading those customers from doing business with Vicor or from purchasing bus converters from Vicor. A copy of a SynQor press release publicizing such allegations and threats is attached hereto as Exhibit 2.
69. Upon information and belief, SynQor's actions have successfully dissuaded certain customers and potential customers, including but not limited to Cisco, from purchasing bus converters from Vicor and has therefore harmed Vicor.
70. SynQor's actions recited above constitute unfair and deceptive trade practices and unfair competition within the meaning of Chapter 93A, Sections 2 and 11 of the Massachusetts General Laws.
71. SynQor's actions have occurred primarily and substantially in the Commonwealth of Massachusetts.
72. The impact of SynQor's actions have been felt by Vicor substantially and primarily in the Commonwealth of Massachusetts.
73. On information and belief, SynQor's unfair and deceptive trade practices have been willful, intentional and deliberate. Vicor is entitled to an award of treble damages, attorneys' fees, and costs based upon the willful and malicious conduct by SynQor pursuant to Massachusetts General Laws Chapter 93A, Section 11.

Tortious Interference With Prospective Economic Advantage

74. Vicor incorporates herein the allegations of paragraphs 1-73
75. Prior to the commencement of the present suit by SynQor, Vicor had a contemplated contract of economic benefit with Cisco Systems, Inc. concerning the purchase by Cisco of bus converters from Vicor. Upon information and believe, SynQor was aware of that contemplated contract.
76. On information and belief, SynQor intentionally and improperly interfered with Vicor's contemplated contract of economic benefit with Cisco by filing this lawsuit on January 28, 2011, and by maintaining it thereafter, and by otherwise communicating to Cisco that Vicor infringed the '190, '021, '702 and '290 patents.
77. Vicor has suffered a loss of business and prospective economic advantage as a direct result of SynQor's conduct towards Vicor and Cisco.
78. During the pendency of this action Vicor has had contemplated contracts of economic benefit with certain other customers and potential customers relating to the sale of bus converters ("Vicor Potential Bus Converter Customers"). Upon information and belief, SynQor was aware of these contemplated contracts with the Vicor Potential Bus Converter Customers.
79. Upon information and belief, SynQor has communicated to the Vicor Potential Bus Converter Customers its allegations that Vicor infringes the '190, '021, '702 and '290 patents.
80. SynQor's allegations that Vicor infringes valid and enforceable claims of the '190, '021, '702 and '290 patents are objectively baseless. SynQor lacks a good faith belief that Vicor infringes valid and enforceable claims of the '190, '021, '702 and '290 patents.
81. SynQor intentionally and improperly interfered with Vicor's contemplated contracts of economic benefit with certain of the Vicor Potential Bus Converter Customers, by filing and maintaining the present action against Vicor and by communicating its false allegations of patent infringement to those Vicor Potential Bus Converter Customers.
82. Vicor has suffered a loss of business and prospective economic advantage as a direct result of SynQor's conduct.
83. SynQor, by way of its unlawful acts, seeks economic gain by improperly attempting to enforce patents known to SynQor to be not infringed by Vicor and to be invalid and/or unenforceable.
84. On information and belief, SynQor has derived, received and will continue to derive and receive gains, profits and advantages from the aforementioned acts of tortious interference in an amount which is not presently known to Vicor. By reason of these acts, Vicor is entitled to an award of damages in an amount to be proven at trial.

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