

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Synopsys, Inc. v. Real Intent, Inc.

Synopsys · No. 20-cv-02819-EJD · Decided March 27, 2025

SUMMARY

The United States District Court for the Northern District of California addresses post-trial motions in a copyright and breach-of-contract dispute concerning electronic design automation software. The court grants in part and denies in part Real Intent’s motion for judgment as a matter of law, holding that the Copyright Act preempts the contract claim based on incorporation of Synopsys commands and vacating the related lost-profits award. The court does not disturb the jury’s unjust-enrichment award for the DesignWare breach and denies Synopsys’s motions for a permanent injunction and new trial as moot.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Edward J. Davila
JURISDICTION	United States District Court for the Northern District of California
DECIDED	March 27, 2025
DOCKET	20-cv-02819-EJD
DISPOSITION	vacated
PROCEDURAL POSTURE	Post-trial motions following a jury trial, including the defendant's renewed motion for judgment as a matter of law, the plaintiff's motion for a permanent injunction, and the plaintiff's motion for a new trial.
STANDARD OF REVIEW	Under Federal Rule of Civil Procedure 50, judgment as a matter of law is appropriate when, after the party has been fully heard, a reasonable jury lacks a legally sufficient evidentiary basis to find for that party. The evidence is construed in the light most favorable to the nonmoving party, and the verdict is upheld if supported by substantial evidence.
PRECEDENTIAL VALUE	unpublished district court opinion

TOPICS

copyright law

contracts

unjust enrichment

damages

civil procedure

PRACTICE AREAS

copyright law

contracts

commercial litigation

civil procedure

remedies

QUESTIONS PRESENTED

1. Whether the court could consider Real Intent's copyright-preemption argument after summary judgment and trial.
2. Whether the Incorporation Breach, as presented to the jury and as the basis for Synopsys's lost-profits claim, was preempted by the Copyright Act.
3. Whether unjust enrichment based on avoided research-and-development costs was an available remedy for the DesignWare Breach.
4. Whether substantial evidence supported the jury's \$297,500 unjust-enrichment award for the DesignWare Breach.
5. Whether Real Intent was entitled to judgment as a matter of law on foreseeability of Synopsys's lost profits.

HOLDINGS

1. The court could consider Real Intent's post-trial preemption argument because the specific breach-by-breach preemption issue had not been resolved at summary judgment and the trial created a more fully developed evidentiary record.
2. The Copyright Act preempted the Incorporation Breach because, as pursued at trial, the contractual theory was based solely on copying and incorporating Synopsys's copyrighted commands, rights equivalent to the exclusive rights protected by copyright.
3. Unjust enrichment measured by costs avoided was an available remedy for the DesignWare Breach.
4. Substantial evidence supported the jury's \$297,500 award for saved research-and-development costs arising from the DesignWare Breach.
5. The court did not reach the foreseeability challenge because it vacated the lost-profits award on copyright-preemption grounds.

KEY QUOTATIONS

“The gravamen of the Incorporation Breach, as pursued at trial, was that Real Intent breached the Agreements by copying and distributing Synopsys’ command sets.” (at 13)

“The trial record compels the conclusion that the sole legal basis for Synopsys’ request for damages based on the Incorporation Breach was copying of commands.” (at 13-14)

“copyright preemption is not so toothless that it can be avoided by simply using a synonym for copying.” (at 14)

“The jury’s award of lost profits based on the Incorporation Breach is vacated as preempted by the Copyright Act.” (at 16)

FACTUAL BACKGROUND

Synopsys and Real Intent develop and sell electronic design automation software. Under several agreements, Real Intent received limited licenses to access Synopsys products, including Design Vision and related offerings. Synopsys alleged that Real Intent copied Synopsys command sets into its own products and accessed and used the unlicensed DesignWare Library. The jury awarded lost profits for the copying theory and unjust enrichment for avoided research-and-development costs associated with the DesignWare Library.

PROCEDURAL HISTORY

Synopsys sued Real Intent for copyright infringement, breach of contract, and related claims arising from Real Intent’s use of Synopsys software command sets and DesignWare Library materials. At summary judgment, the court ruled for Synopsys on the Incorporation Breach and DesignWare Breach, ruled against Synopsys on copyright infringement based on fair use, and declined to resolve copyright preemption on a breach-by-breach basis. After trial, the jury awarded Synopsys \$248,776 in lost profits for the Incorporation Breach and \$297,500 in unjust enrichment for the DesignWare Breach. On post-trial motions, the court held the Incorporation Breach preempted by the Copyright Act, vacated the lost-profits award, upheld the unjust-enrichment award, and denied or found moot the remaining motions.

DISPOSITION

vacated

CASES CITED

- Google LLC v. Oracle America, Inc., 593 U.S. 1 (2021)
- White v. Ford Motor Co., 312 F.3d 998, 1010 (9th Cir. 2002)
- Lakeside-Scott v. Multnomah County, 556 F.3d 797, 803 (9th Cir. 2009)
- Johnson v. Paradise Valley Unified School District, 251 F.3d 1222, 1227 (9th Cir. 2001)
- EEOC v. Go Daddy Software, Inc., 581 F.3d 951, 961 (9th Cir. 2009)
- Freund v. Nycomed Amersham, 347 F.3d 752, 761 (9th Cir. 2003)
- United States v. Sineneng-Smith, 590 U.S. 371, 375 (2020)
- Walker v. City of Riverside, 859 F. App’x 126, 128 (9th Cir. 2021)
- Gray v. Hudson, 28 F.4th 87, 102-03 (9th Cir. 2022)
- Peralta v. Dillard, 744 F.3d 1076, 1088 (9th Cir. 2014) (en banc)
- Acasio v. Lucy, No. 14-CV-04689-JSC, 2017 WL 1316537, at *10 (N.D. Cal. Apr. 10, 2017)
- Best Carpet Values, Inc. v. Google, LLC, 90 F.4th 962, 971 (9th Cir. 2024)
- Laws v. Sony Music Entertainment, Inc., 448 F.3d 1134, 1137 (9th Cir. 2006)
- Altera Corp. v. Clear Logic, Inc., 424 F.3d 1079, 1089 (9th Cir. 2005)

- Ryan v. Editions Ltd. West, Inc., 786 F.3d 754, 761 (9th Cir. 2015)
- MDY Industries, LLC v. Blizzard Entertainment, Inc., 629 F.3d 928, 940-41, 957 (9th Cir. 2010), as amended on denial of reh'g, 2011 WL 538748 (9th Cir. Feb. 17, 2011)
- ProCD, Inc. v. Zeidenberg, 86 F.3d 1447 (7th Cir. 1996)
- Oracle Corp. v. SAP AG, 734 F. Supp. 2d 956, 971 (N.D. Cal. 2010)

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