

ALERT

Federal Circuit Patent Bulletin: *Retractable Techs., Inc. v. Becton, Dickinson & Co.*

July 7, 2014

"[Where] some but not all products are found on appeal not to infringe, there is no 'normal rule' giving district courts the authority to regularly revisit or recalculate damages"

On July 7, 2014, in *Retractable Techs., Inc. v. Becton, Dickinson & Co.*, the U.S. Court of Appeals for the Federal Circuit (Lourie, Linn*) affirmed the district court's denial of Becton's motion to modify the \$5 million damages award following the partially successful appeal of the judgment that Becton's Integra™ retractable syringes infringed U.S. Patents No. 5,632,777, No. 6,090,077, and No. 7,351,224. The Federal Circuit stated:

Becton argues that this court's mandate, reversing the infringement verdict for the 3 mL but not the 1 mL syringe, required the district court to conduct new damages proceedings because the original judgment is inconsistent with that mandate. Becton further argues that the issue of damages attributable only to the 1 mL syringe was not within this court's mandate because it was not and could not have been considered previously. To the extent the damages issue was within the mandate, Becton argues that the district court erred by declining to apply an exception to the mandate rule in cases of a substantial change in the evidence. Lastly, Becton argues that it did not waive the argument over damages by failing to raise it in the previous appeal because it contends that before the court's mandate, Becton had no argument that the damages award itself was erroneous. . . .

While this court regularly issues remands when requested and appropriate, or on our own initiative if some but not all products are found on appeal not to infringe, there is no "normal rule" giving district courts the authority to regularly revisit or recalculate damages that fall within our mandate. Becton's current substantive argument—that the damages award must be revisited if either one of the two products at issue are found not to infringe—could have and should have been raised in the previous appeal. . . . Instead, Becton not only made no effort to raise the issue, it arguably made an effort to avoid raising the issue by only requesting the district court to reverse the judgment or order a new trial on infringement and/or validity.

Becton contends nonetheless that the district court was free to revisit damages because doing so at least would have been consistent with this court's mandate. While the district court was certainly free to take action consistent with the mandate, that does not mean that it was likewise free to disturb matters that were within the mandate. "Unless remanded by this court, all issues within the scope of the appealed judgment are deemed incorporated within the mandate and thus are precluded from further adjudication." Becton's failure in the prior appeal to raise the issue of remand is critical given the general nature of the jury verdict on damages and Retractable's lump-sum reasonable royalty theory that was presented to the jury. . . .

Becton contends that a damages amount attributable solely to the 1 mL syringe was not determined by the jury or decided by the district court in the original judgment and, thus, should not be deemed within the court's mandate. However, the damages award was the result of the general nature of Interrogatory No. 6. The judgment included the \$5 million infringement award, which did not specify amounts separately for each product and could have been based on Retractable's lump-sum reasonable royalty theory, which was not dependent on the type or number of products sold but rather on granting Becton freedom to operate. Becton neither objected to Interrogatory No. 6 nor indicated to this court or Retractable that it believed a partial reversal would require revisiting that award. Thus, the \$5 million award was within the scope of the judgment, was incorporated into the mandate without argument, and was precluded from further consideration by the district court. . . .

Becton contends that a substantial change in the evidence has occurred and that such a change warrants an exception to the mandate rule. . . . The only intervening change Becton identifies is this court's previous opinion, reversing-in-part the infringement verdict based on claim construction. However, Becton identifies no support for its position that a decision of this court can be considered a change in the "evidence" sufficient to create an exception to the mandate of that same decision. . . . Becton points out that the 3 mL syringe, whose infringement finding was reversed, far outsold the 1 mL syringe. But there is no way to conclude from this record what the significance of that alleged disparity might have been in the jury's deliberations.