Judge Richard G. Stearns: ELECTRONIC ORDER entered denying 219 Motion for Summary Judgment; denying 237 Motion for Summary Judgment. Defendants Hitachi Medical and Toshiba Medical move for summary judgment limiting the damages period on the same two legal theories - laches and failure to mark under 35 U.S.C. § 287. Defendants contend that plaintiffs were aware of their alleged infringing activity as early as 2006, but did not bring suit until 2015, after the 2013 expiration of the '360 patent. Defendants argue that because the delay exceeded 6 years, they are entitled to a presumption of laches, and further that they suffered evidentiary prejudice from the dissipation of memory and unavailability of witnesses. See A.C. Aukerman Co. v. R.L. Chaides Const. Co., 960 F.2d 1020, 1028 (Fed. Cir. 1992) (en banc). Plaintiffs counter that the delay was justified by the many other lawsuits it prosecuted during the relevant period asserting and reexamining the '360 patent. Given that the Supreme Court granted certiorari in SCA Hygiene Prods. Aktiebolag v. First Quality Baby Prods., LLC, 136 S.Ct. 1824 (2016), for the express purpose of considering the continued availability of the laches defense in the patent context (following its 2014 holding in Petrella v. Metro-Goldwyn-Mayer, 134 S.Ct 1962 (2014), that laches cannot shorten the copyright law's three-year statute of limitations) and that fact discovery has yet to be concluded in this matter, the court will DENY the motion with respect to laches without prejudice, and defer a final decision on the defense until the Supreme Court rules.Defendants also contend that the damages period should be shortened from November 2011 onwards because plaintiffs licensed the '360 patent to Siemens (and GE thereafter), but failed to ensure that Siemens (and GE) marked the licensed MRI systems with the '360 patent number. Plaintiffs argue that they do not need to rely on the constructive notice provision of § 287, because Dr. Filler provided defendants with actual notice of the '360 patent during his attendance at RSNA (Radiological Society of North America) meetings from 2006 to 2014, that he offered defendants a patent license in an email in 2008, and posted on a public website regarding defendants' need to license the '360 patent in 2011. From the submitted record, it is unclear to the court what, if any, products by Siemens and GE should have been marked with the '360 patent. Although Siemens and GE obtained patent licenses from plaintiffs, they both expressly denied infringement in their respective settlement agreements. The agreements also do not identify a specific set of licensed products. Finally, the court notes that obtaining a patent license after being sued is a common compromise undertaken to settle a claim and avoid expensive and uncertain litigation. Because defendants have not met their burden of production in showing that there are licensed products practicing the patented technology that should be marked, their motion for summary judgment on this ground will be DENIED. (RGS, int2) (Entered: 08/01/2016)

In re: NeuroGrafix ('360) Patent Litigation
1-13-md-02432 (MAD), 8/1/2016, docket entry 327