

<u>RETRACTABLE TECHNOLOGIES, INC. v. BECTON DICKINSON AND COMPANY</u>, Appeal No. 2013-1567 (Fed. Cir. July 7, 2014). Before Lourie and <u>Linn</u>. Appealed from E.D. Texas (Judge Davis).

Background:

Retractable sued Becton because Becton's 1 mL and 3 mL syringes allegedly infringed various claims of Retractable's patents. After a jury trial, the district court entered a final judgment in Retractable's favor, including damages of \$5 million and a permanent injunction against the continued sale of both syringes. Becton appealed the infringement and validity determinations to the Federal Circuit but failed to appeal or request remand of the damages determination in the event that the infringement or validity determinations were changed in any way. Becton simply requested that the Federal Circuit "reverse the judgment or, in the alternative, order a new trial on infringement and/or invalidity."

On appeal, the Federal Circuit ruled that Becton's 3 mL syringe did not infringe the claims of Retractable's patents. However, the Federal Circuit affirmed that Becton's 1 mL syringe infringed the claims of Retractable's patents. Having no basis for a new trial on infringement or invalidity, the Federal Circuit did not order a remand. Becton subsequently requested that the district court modify the permanent injunction and the damages award because the 1 mL syringe was the only remaining infringing product. The district court modified the permanent injunction to include only the 1 mL syringe because the district court's broad equitable powers allowed it to prospectively modify the injunction. However, the district court ruled that the mandate rule precluded it from revisiting the damages issue because it was within the scope of the original judgment and was not raised in the prior appeal nor remanded to the district court for reconsideration. Becton appealed.

Issue/Holding:

Did the district court err in not conducting new damages proceedings? No, affirmed.

Discussion:

Becton argued that the Federal Circuit's reversal of the infringement verdict for the 3 mL syringe, but not the 1 mL syringe, required the district court to conduct new damages proceedings because the original judgment is inconsistent with that mandate. The Federal Circuit found that there is no "normal rule" giving district courts the authority to regularly revisit or recalculate damages that fall within the Federal Circuit's mandate.

The Federal Circuit held that Becton's argument—that the damages award must be revisited if either one of the two products are found not to infringe—could have and should have been raised in the previous appeal. Specifically, the Federal Circuit held that "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." The Federal Circuit determined that Becton had a fair opportunity to appeal or request remand of the damages determination during the prior appeal but did not. The Federal Circuit held that to permit the damages determination to be revisited anew would be to endorse an end-run around the mandate rule, which will not be supported by the Federal Circuit.