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United States Court of Appeals for the Federal Circuit

00-1511, 00-1546

BRADFORD COMPANY,

Plaintiff-Cross-Appellant,

v.

JEFFERSON SMURFIT CORPORATION,

Defendant-Appellant.

DECIDED: October 30, 2001

Before NEWMAN, MICHEL, and LOURIE, Circuit Judges.

MICHEL, Circuit Judge.

Jefferson Smurfit Corporation ("JSC"), the accused infringer, and Bradford Company ("Bradford"), the patentee, appeal the July 13, 2000, Order of the United States District Court for the Western District of Michigan denying the parties' motions for judgment as a matter of law and JSC's motion for a new trial, and JSC further contests the district court's claim construction. Because JSC had failed to move for JMOL under Fed. R. Civ. P. 50(a), thereby waiving its right to make a renewed JMOL, we affirm the district court's denial of JSC's JMOL motion. In addition, because we agree that the claimed paperboard invention could include more than three layers and did not require direct, physical contact between those layers, we affirm the district court's claim construction as well.

Next, we reject JSC's contention that, under 35 U.S.C. § 288, Bradford had to file a disclaimer

about an invalid patent claim before trial in order to recover its costs. Simply put, JSC never presented this issue to the district court, meaning it has waived that issue for our review. And even if JSC had preserved this issue, we disagree that section 288 obligated Bradford to guess about the invalidity of its patent claims before a jury or some other authority had even ruled on their validity and that Bradford therefore had to file a disclaimer about those claims' validity before filing suit against JSC.

Last, because 35 U.S.C. § 286 is not an affirmative defense that must be pled, we also affirm the district court's denial of Bradford's JMOL motion on that issue. We remand, however, to have the district court consider the merits of Bradford's motion for JMOL addressing the dependent claims.

Background

In August 1997, Bradford sued JSC for infringement of Bradford's U.S. Patent No. 4,966,280 (the "'280 patent"). The '280 patent claims a multiple-ply anti-static paperboard invention designed for use as packaging material for the packaging and shipment of electrically sensitive devices. The invention includes a relatively rigid layer of electrically conductive material sandwiched between and contacting two layers of anti-static material.

On January 19, 1999, the district court issued a claim construction order holding the following: (1) although the claims at issue recite an invention that "comprises" three layers, the claimed device can include additional layers; (2) the term "contacting" as used in the '280 patent means electrical contact and direct or indirect physical contact; and (3) the '280 patent claims do not include a requirement that the claimed invention be symmetrical. (J.A. 301.) On appeal, JSC challenges this construction along with the issues discussed below.

The '280 patent claims at issue are claims 11, 12, 17, and 21. Claim 11 is an independent claim, claims 12 and 17 are dependent from claim 11, and claim 21 is an independent claim. At the close of all the evidence, Bradford moved for JMOL on JSC's prior-art invalidity defenses. (E.g., J.A. 17, 37.) JSC, by contrast, did not move for JMOL on obviousness and anticipation at the close of its case-in-chief. (J.A. 29-31.) Nor did it move for JMOL on the infringement of claim 21 before the close of all the evidence. (Id.)

The district court reserved its ruling on Bradford's first JMOL motion, indicating that it would take the motion under advisement. (E.g., J.A. 17.) As shown by the answers given to the special interrogatories submitted with the general verdict, see Fed. R. Civ. P. 49(b), the jury found dependent claims 12 and 17 invalid as both anticipated and obvious but nevertheless found independent claims 11 and 21 valid and infringed. (J.A. 317-21.) The district court entered judgment in accordance with the verdict in August 1999.

Bradford thereafter filed a Motion to Amend the Judgment Order in which it renewed its JMOL motion concerning the invalidity of the two dependent claims and further moved to set aside the verdict's finding of noninfringement of those claims. Read in context, Bradford's renewed JMOL motion argued that because "no evidence" showed that its independent claims lacked validity and were not infringed, its dependent claims "a fortiori" were also valid and infringed. (See J.A. 336) (emphasis in original). For its part, JSC also filed a "Motion for JMOL and/or In the Alternative, For a New Trial," asserting four primary arguments: (1) the invalidity of claims 11 and 21 over the prior art; (2) the non-infringement of claims 11 and 21; (3) the inconsistency of the jury's answers to the special interrogatories and general verdict; and (4) insufficient

evidence supported the jury's calculation and damages award.

The district court denied each party's JMOL motion. Specifically, the district court denied Bradford's Motion to Amend the Judgment and to thereby find that claims 12 and 17 were valid and infringed, because Bradford had failed to object to the jury's answers to the special interrogatories and general verdict before the jury's discharge. (J.A. 36-40.)

Turning to JSC's JMOL motion, the district court applied the same waiver reasoning as it had with Bradford's motion; namely, that JSC, too, had failed to object to the inconsistencies between the special-interrogatory answers and the verdict itself, notwithstanding that the district court had asked the parties whether they had "anything else" before it discharged the jury. Meanwhile, JSC's motion seeking to invalidate the independent claims (claims 11 and 21) was denied on the bases that: (1) JSC had failed to move for JMOL at the close of all the evidence and thus could not file a renewed JMOL; and (2) even if JSC had preserved its right to file a post-verdict JMOL motion, that motion would still fail because the evidence supported a finding of validity.

Following the entry of judgment, the district court also awarded Bradford its costs. JSC did contest this award, arguing that Bradford did not qualify as the "prevailing party" in this case and, alternatively, that Bradford could not recover some of the costs it had requested. At no point, however, did JSC argue to the district court that because Bradford had failed to file (before filing this lawsuit) a disclaimer about the invalidity of claims 12 and 17, 35 U.S.C. § 288 foreclosed Bradford's right to recover its costs.

This appeal and cross appeal followed. We have jurisdiction under 28 U.S.C. § 1295(a)(1) and now affirm in part, vacate in part and remand for the district court to consider for the first time Bradford's renewed JMOL motion on the merits.

Discussion

The parties raise four general issues for our consideration: the district court's denial of each party's post-judgment motions; the district court's claim construction; the jury's calculation and award of damages; and JSC's alleged failure to plead the "affirmative defense" concerning the limitation of damages under 35 U.S.C. § 286. We find that only one of these grounds, raised by Bradford, warrants a remand.

JSC's Appeal

1. JSC's Failure to Move for JMOL before the Close of the Evidence

We need not recite the well-known standard for reviewing the denial of a JMOL motion, because JSC failed to preserve its motion for either the district court's or our review. Whether a party has preserved the right to have its post-verdict JMOL motion reviewed on appeal is a procedural issue not unique to patent law, meaning we must review that issue under the law of the regional circuit in which the district court sits -- in this case, the Sixth Circuit. See In re Regents Univ. of Cal., 101 F.3d 1386, 1390 n.2, 40 USPQ2d 1784, 1787 n.2 (Fed. Cir. 1996).

Under Fed. R. Civ. P. 50(b), a party must have first moved for JMOL at the close of all the evidence in order to preserve the right to renew that same JMOL motion (and the same arguments supporting it) after the jury had rendered its verdict. See Riverview Inv., Inc. v.

Ottawa Cmty. Improvement Corp., 899 F.2d 474, 477 (6th Cir. 1990). The Sixth Circuit has held, however, that a "technical deviation from Rule 50(b)'s command is not fatal." Id. In Boynton v. TRW, Inc., 858 F.2d 1178 (6th Cir. 1988), the court stated that "[t]he application of Rule 50(b) in any case 'should be examined in the light of the accomplishment of [its] particular purpose as well as in the general context of securing a fair trial for all concerned in the quest for truth.'" Id. at 1185 (quoting Bonner v. Coughlin, 657 F.2d 931, 939 (7th Cir. 1981)). The Sixth Circuit has also cited with approval 5A Moore's Federal Practice Digest, which states:

a [renewed JMOL] may be granted despite the party's failure to renew his motion for [JMOL] where: (1) The court indicated that the renewal of the motion would not be necessary to preserve the party's rights; and (2) The evidence following the party's renewed motion for [JMOL] was brief and inconsequential.

Riverview Investments, 899 F.2d at 477 (citing 5A James Wm. Moore et al., Moore's Federal Practice ¶ 50.08 (2d 1984)).

In support of the argument that it did not waive its JMOL motion, JSC mistakenly relies on Riverview Investments, where the appellees made a Rule 50 motion both at the end of the appellants' case-in-chief and at the end of their own case-in-chief, but then neglected to do so after calling a rebuttal witness. 899 F.2d at 477. Finding that the appellees had not waived the right to renew their JMOL motion after the jury had issued a verdict, the court reasoned that the rebuttal "testimony was brief and of little consequence to the outcome of the trial" and should therefore not bar the appellees from renewing their motion under Rule 50(b). Id. at 478.

As the district court pointed out, the underlying procedural facts in Riverview Investments in no way resemble the underlying procedural errors here; unlike the appellees in Riverview Investments, JSC did not move for JMOL concerning the validity of the independent claims or the infringement of independent claim 21 before the submission of the case to the jury. Nor has it cited any authority that could excuse this blatant violation of the express terms of Rule 50(b). Accordingly, we affirm the district court's denial of JSC's Rule 50(b) motion.

2. Inconsistency of the Verdict

JSC has also waived its right to object to the inconsistencies in the special-interrogatory answers and general verdict. See Fed. R. Civ. P. 49(b). Regional circuit law also controls the disposition of inconsistent answers to special interrogatories or special verdicts. See Mycogen Plant Science, Inc. v. Monsanto Co., 243 F.3d 1316, 1325, 58 USPQ2d 1030, 1037 (Fed. Cir. 2001); Allen Organ Co. v. Kimball Int'l, 839 F.2d 1556, 1563, 5 USPQ2d 1769, 1774 (Fed. Cir. 1988). "[C]ourts have held that the failure of a party to object to the inconsistencies [in the verdict] prior to the dismissal of the jury constitutes a waiver of the issue for purposes of review on appeal." Wright & Miller, Federal Practice and Procedure: Civil, 2d § 2513 (1990) (citing Williams v. KETV Television, Inc., 26 F.3d 1439 (8th Cir. 1994); Lockard v. Missouri Pac. R.R. Co., 894 F.2d 304 (8th Cir. 1990); White v. Celotex Corp., 878 F.2d 144 (4th Cir. 1989) (*per curiam*); Merchant v. Ruhle, 740 F.2d 86 (1st Cir. 1984); Ludwig v. Marion Labs., 465 F.2d 114 (8th Cir. 1972)).

Indeed, the Sixth Circuit followed this approach in Tennessee Consolidated Coal Co. v. United Mine Workers, 416 F.2d 1192, 1200 (6th Cir. 1969); see also Jewell v. Holzer Hosp. Found., Inc., 899 F.2d 1507, 1510-11 (6th Cir. 1990). There, "the [trial judge] inquired: 'Is there anything further that any counsel wishes to raise before the Court excuses the jury in this case?' Counsel for both parties replied negatively and the jury was discharged." Tennessee Consol. Coal Co., 416 F.2d at 1200. The Sixth Circuit concluded that the failure to object at this point resulted in a waiver on the issue of verdict inconsistency. Id.

The facts in this case parallel those of Tennessee Consolidated. In this case the district court correctly explained that

[a]fter the jury returned its verdict and after the verdict was published by the courtroom deputy, the parties were afforded an opportunity to object to the verdict. Neither did so. The Court also inquired whether the parties had anything else to bring before the Court at that time. Again, [JSC did not raise] the issue of an inconsistent verdict.

(J.A. 39) (emphasis added). Based on the well-settled law of the Sixth Circuit and the factual similarities between this case and Tennessee Consolidated, it is clear that JSC failed to preserve its challenge to the inconsistent verdict. Accordingly, we affirm the district court's denial of JSC's motion for JMOL or for a new trial based on the inconsistency of the verdict.

3. Jury's Calculation and Award of Damages

JSC further contends that the district court erred in denying its motion for JMOL or for a new trial on the issue of damages, alleging that insufficient evidence supported the jury's calculation and concomitant damages award. Specifically, JSC argues that the jury used the wrong royalty base to perform its calculation. The jury awarded damages in the amount of \$1,136,904 based on a 9% royalty rate. After performing a simple calculation (royalty base = damages/royalty rate), JSC claims that the royalty base (\$12, 632,266) used by the jury approximates the total sales of its product (\$12,627,670). The problem with this, argues JSC, is that:

Bradford's expert testified that of the amount of [the products] sold, only 62 % literally infringed the '280 patent. Thus, rather than using a royalty base virtually equivalent with the sales of all infringing and non-infringing [products], the jury should properly have used a royalty base calculated based upon 62 % of \$12, 632,266, which equals \$7,832,005. Utilizing that proper royalty base, a 9% royalty would result in a damage award of \$704,880.45.

(Appellant's Br. at 48.)

JSC does concede that Bradford can recover damages in excess of a reasonable royalty for up-front licensing fees or other related expenses and damages; but it also maintains that insufficient evidence supported the other damages that could have been added to the royalty amount of \$704,880.45 to reach the total \$1,136,904 actually awarded by the jury. Strangely, though, JSC does not point to any evidence of record to support this contention.

Moreover, because of the black-box quality of the jury decision, we simply do not know what the jury did to arrive at its damages award. Further, the language of 35 U.S.C. § 284 provides that a claimant shall be awarded "damages adequate to compensate for the infringement, but in no event less than a reasonable royalty for the use made of the infringer." Therefore, nothing precludes a jury from including (as shown by the evidence in this case) an additional amount for an up-front licensing fee or to elevate the damage award above the baseline of a reasonable royalty, so as to compensate Bradford adequately for JSC's infringement. The verdict is supported by substantial evidence if reasonable jurors, viewing the evidence as a whole, could have found the facts needed to support the verdict in light of the applicable law. See Baxter Healthcare Corp. v. Spectramed, Inc., 49 F.3d 1575, 1582 (Fed. Cir. 1995). The district court so found. (See Slip op. at 19.) JSC has not identified sufficient evidence for us to conclude otherwise. We therefore affirm the district court's denial of JSC's motion on this issue.

4. Claim Construction

Nor do we find any error with the construction of the four claims at issue, as the district court correctly concluded that these claims cover more than simply a device with only three layers, with the outer layers in direct physical contact with an interior rigid layer. Claim construction is a matter of law that we review de novo. See Cybor Corp. v. FAS Techs., Inc., 138 F.3d 1448, 1454, 46 USPQ2d 1169, 1172 (Fed. Cir. 1998) (en banc). "To ascertain the meaning of claims, we consider three sources: the claims, the specification, and the prosecution history." Unique Concepts, Inc. v. Brown, 939 F.2d 1558, 1561, 19 USPQ2d 1500, 1503 (Fed. Cir. 1991). "Expert testimony, including evidence of how those skilled in the art would interpret the claims, may also be used." Fonar Corp. v. Johnson & Johnson, 821 F.2d 627, 631 (Fed. Cir. 1987).

Contrary to the findings rendered by the district court, JSC argues here that claims 11, 12, 17, and 21 of the '280 patent do indeed disclose a device limited to three layers, with the outer layers in direct physical contact with an interior rigid layer. Independent claims 11 and 21 of the '280 patent state as follows:

11. A multiple-ply material comprising:

a first layer of anti-static material;

a second layer of anti-static material;

a third layer of relatively rigid, electrically conductive material sandwiched between and contacting said first and second layers; and

wherein said first and second layers have a surface resistivity of between 10^9 and 10^{14} ohms per square inch and said third layer has a surface resistivity of less than 10^5 ohms per square inch.

21. A multiply-ply paperboard comprising:

a first layer of anti-static material;

a second layer of anti-static material;

a third layer of high-carbon content paperboard sandwiched between and contacting said first and second layers; and

wherein said first and second layers have a surface resistivity of between 10^9 and 10^{14} ohms per square inch and said third layer of high-carbon content paperboard has a surface resistivity of less than 10^5 ohms per square inch.

(J.A. 508) (emphasis added). As more fully discussed below, neither this language nor the language of any of the other claims at issue limits the claimed invention to a three-layer structure, let alone one that must have the exterior layers in direct physical contact with the interior layer.

A. The '280 Patent is not Limited to a Three-Layer Structure

JSC contends that the '280 patent covers a three-layer device only, because that patent's Figure 7 "shows a three-layered laminated structure which utilizes a low density molten polyethylene material as a laminate in order to attach the low density polyethylene antistatic layers to the inner conductive layer." (Appellant's Br. at 33.) This argument is self-refuting, however, because the polyethylene that JSC describes is itself a layer that bonds the anti-static layers to the conductive layer. Additionally, because the claims here contain the language "comprising," the presence of additional layers in the accused device does not remove that device from the scope of the '280 patent claims. See Genentech, Inc. v. Chiron Corp., 112 F.3d 495, 501, 42 USPQ2d 1608, 1613 (Fed. Cir. 1997) ("Comprising' is a term of art used in claim language which means that the named elements are essential, but other elements may be added and still form a construct within the scope of the claim."). We therefore concur with the district court's construction that the claims are not limited to three layers and can include an additional layer or layers.

B. "Sandwiched Between and Contacting" Includes Electrical Contact

JSC further argues that "sandwiched between and contacting" as used in claims 11 and 21 can only be interpreted as requiring direct physical contact between the exterior anti-static layers and the inner conductive layer. (Appellant's Br. at 35.) To support this assertion, JSC refers us to an amendment purporting to distinguish the claimed invention from the prior art. But nothing in the cited amendment indicates this contact must be direct physical contact, and JSC provides no additional evidence to support its contention. Meanwhile, Bradford's expert, Dr. Fowler, averred that:

[b]ased on my experience (both teaching and industrial), the term 'contacting' in the claims of the '280 patent, as it would be understood by persons in the field of ESD [electrostatic discharge] materials considering the subject matter of the '280 patent, relates to the ability of an electrical charge to be transmitted through the [antistatic layer and the polyurethane layer] to [the interior conductive layer], so that there is an electrical contact between the layers. In other words, [the anti-static layer and the polyurethane layer] are in electrical contact with [the inner conductive layer]. . . . In all embodiments, regardless of whether there is

direct or indirect physical contact, there is electrical contact.

(J.A. 177) (emphasis added). Nowhere in its brief does JSC attack this explanation. Accordingly, we likewise concur with the district court's construction that "contacting" as used in the '280 patent means electrical contact and direct or indirect physical contact.

C. "Relatively Rigid"

JSC also argues that Bradford cannot enforce the claims against accused products that do not have a "relatively rigid" conductive layer. But the district court, having read Mr. Bradford's testimony with respect to that issue, found that a reasonable jury could in fact "conclude that the [allegedly infringing material] has a relatively rigid conductive layer as that term would be defined by one reasonably skilled in the art Whether or not the jury agrees with Mr. Bradford is a proper matter for the jury to determine." (J.A. 3979-80.) We discern no error with the court's rationale and ruling. Accordingly, we affirm the district court's denial of JSC's Rule 50 motion.

5. Costs

Last, JSC challenges the award of costs to Bradford, contending that 35 U.S.C. § 288 prohibits this award. Section 288 provides:

[w]henever, without deceptive intention, a claim of a patent is invalid, an action may be maintained for the infringement of the claim of the patent which may be valid. The patentee shall recover no costs unless a disclaimer of the invalid claim has been entered at the patent office before the commencement of the suit.

35 U.S.C. § 288 (emphasis added). We note at the outset that while JSC contested the district court's award of costs, it has raised the issue concerning section 288 for the first time on appeal. Accordingly, because JSC never gave the district court an opportunity to address this issue, JSC has waived the issue for purposes of our review.

But even if JSC had preserved this issue, we would still find that its argument borders on the ridiculous. The only case law JSC offers in support of its position comes from the Seventh Circuit, case law that does not bind us. More important, JSC overlooks the language of the statute itself, which requires that a disclaimer of the invalid claim be entered at the Patent Office "before the commencement of the suit." *Id.* (emphasis added). Obviously, then, there must have been a prior determination of invalidity before the patent-infringement suit for which costs are now sought. There was no prior determination here. Bradford, therefore, falls well outside the boundaries of the statute. We affirm the district court's award of costs.

Bradford's Cross Appeal

On cross appeal, Bradford argues two issues: (1) the district court erred when it failed to amend the judgment to hold that the dependent claims were not invalid based on the inconsistency of the jury's findings; and (2) the district court erred when it permitted JSC to raise the damages limitation of 35 U.S.C. § 286 at trial, instead of finding that JSC had waived

that limitation by not pleading it. As more fully discussed below, Bradford (unlike JSC) preserved -- albeit barely -- its right to challenge the sufficiency of the evidence directed to the validity of the claims. Further, we find that JSC did not have to plead the damages limitation under section 286 as an affirmative defense.

1. Bradford's Renewed JMOL (Rule 50(b) Motion)

In its renewed JMOL motion, Bradford indicated again that insufficient evidence supported the conclusion that dependent claims 12 and 17 were invalid because (as it turned out) insufficient evidence established the invalidity of the independent claims. (See J.A. 336-37.) Again, the district court concluded that Bradford had waived this argument, apparently believing that Bradford's argument rested solely on the inconsistent findings made by the jury and that its failure to object under Fed. R. Civ. P. 49(b) meant it could not now raise the argument under Fed. R. Civ. P. 50(b).

We disagree, because it appears to us that Bradford did indeed direct its renewed JMOL motion to the sufficiency of the evidence concerning validity and not to the jury's inconsistent findings. That this motion could have incidentally remedied those inconsistent findings does not mean that Bradford had waived the argument. Indeed, we believe this case closely resembles our decision in Mycogen, 243 F.3d 1316. There, a jury had returned a special verdict under Fed. R. Civ. P. 49 finding that the accused products did not infringe the patents at issue, but that they did anticipate those same patents. Id. at 1321. Though nothing in the opinion indicated that either party had waived its right to a new trial by failing to object before the jury's discharge, the patentee there did nevertheless move for both a new trial and for judgment as a matter of law. Id. The trial court granted JMOL and found that insufficient evidence supported a finding of noninfringement, thereby correcting the inconsistent special verdicts rendered by the jury. See id.

Affirming this decision, we held that the trial court did not impermissibly use a JMOL motion to remedy an inconsistent verdict; it was simply but properly addressing the factual findings' "legally sufficient evidentiary basis." Id. at 1326. As stated there, "[t]he fact that this JMOL ruling also [happened to] resolve[] the inconsistency within the verdicts does not render the JMOL ruling incorrect." See id.

Here, Bradford also essentially argued in its Rule 50(b) motion that the jury's findings about the dependent claims lacked a "sufficient evidentiary basis," see id., meaning its argument, too, could incidentally rectify the jury's inconsistent and indeed illogical findings. See generally Hartness Int'l, Inc. v. Simplimatic Eng'g, Co., 819 F.2d 1100, 1108, 2 USPQ2d 1826, 1831 (Fed. Cir. 1987) (finding, after a bench trial, that the district court clearly erred by determining that a dependent claim was invalid as anticipated when its independent claim was nonobvious; "[a] fortiori, dependent claim 3 was nonobvious (and novel) because it contained all the limitations of [independent] claim 1 plus a further limitation"). We do not read Bradford's renewed JMOL motion as arguing that it could indeed use a Rule 50(b) motion to attack inconsistent answers to the general verdict's special interrogatories. On remand, the district court should now consider this renewed JMOL motion on the merits and decide whether to enter JMOL for Bradford or to let the otherwise illogical result stand.

2. 35 U.S.C. § 286

Bradford also argues that the district court erred when it permitted JSC to raise the damage

limitation of 35 U.S.C. § 286 for the first time at trial, contending that this statute required JSC to instead include the damage limitation as an affirmative defense in its pleading. The effect of section 286 is to limit recovery to damages for infringing acts committed within six years of filing suit for infringement. We review issues of statutory interpretation de novo. Doyon, Ltd. v. United States, 214 F.3d 1309, 1314 (Fed. Cir. 2000).

We reject Bradford's proposed construction of the statute. First, Fed. R. Civ. P. 8(c) sets forth the nineteen affirmative defenses that a party must plead. The only one that could have any relevance to this issue is the statute of limitations defense. But section 286 is not a statute of limitations. See Chisum on Patents, § 20.03[7] at 20-482 (citing Standard Oil Co. v. Nippon Shokubai Kagaku Kogyo Co., 754 F.2d 345, 348, 224 USPQ 863, 865 (Fed. Cir. 1985)). Rather, section 286 is a limitation on damages. Id. On its face, therefore, Fed. R. Civ. P. 8(c) does not apply here and does not mandate that one affirmatively plead 35 U.S.C. § 286 as a defense to an infringement claim.

Second, 35 U.S.C. § 282 is the patent statute's analogy to Fed. R. Civ. P. 8(c):

The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:

- (1) Noninfringement, absence of liability for infringement, or unenforceability,
- (2) Invalidity of the patent or any claim in suit on any ground specified in part II of this title as a condition for patentability,
- (3) Invalidity of the patent or any claim in suit for failure to comply with any requirement of section 112 or 251 of this title,
- (4) Any other fact or act made a defense by this title.

Nowhere in this list does section 286's "limitation on damages" appear. Nor can the limitation on damages be considered a "defense" under subsection 4, above. In Motorola, Inc. v. United States, 729 F.2d 765, 769, 221 USPQ 297, 300 (Fed. Cir. 1984), this court determined that the marking and notice statute, 35 U.S.C. § 287, "was not a statutory defense to an action for infringement; it was a limitation on damages." Important to our analysis there was the language of the statute at issue: "[s]ection [287] was clearly a limitation on damages since it stated that 'no damages shall be recovered by the plaintiff'. . . ." Id. (citing Dunlop v. Schofield, 152 U.S. 244, 247 (1894)).

The same goes with section 286. An examination of the language of 35 U.S.C. § 286 shows that it, too, was drafted as a limitation on damages, stating (as in section 287) that "no recovery shall be had for any infringement." Compare Motorola, Inc., 729 F.2d at 769 (finding that 35 U.S.C. § 287 constituted a limitation of damages only, not an affirmative defense, when section 287 stated that "no damages shall be recovered." (emphasis added)). It is also clear that section 286 is not a "defense" in the traditional sense of the word, as the statute does not bar a cause of action for infringement; it merely limits the time frame for which damages can be incurred. See Standard Oil, 754 F.2d at 347.

Because our precedent illustrates that a limitation on damages is not a statutory defense that

must be pleaded, we conclude that 35 U.S.C. § 286 is not an affirmative defense for purposes of either Fed. R. Civ. P. 8(c) or 35 U.S.C. § 282. Accordingly, we affirm the district court's determination that Bradford's damages could be limited by 35 U.S.C. § 286.

Conclusion

For the reasons stated above, we affirm in part, vacate in part and remand for additional proceedings consistent with this opinion.

COSTS

Each party shall bear its own costs.