

Judge Albright Enters Judgment Despite Jury's Disregard for Stop Instructions

OCTOBER 2, 2024

BACKGROUND

On May 19, 2023, a Waco jury found that Dropbox did not infringe any of the patent claims asserted by Motion Offense, LLC. Dropbox sought declaratory judgments of non-infringement and invalidity as to some of the patents-in-suit, but not as to two patents (the '548 and '215 patents), instead only asserting invalidity as an affirmative defense. Because of this, the court ruled that the validity and priority date of these two patents would only go to the jury if there was a finding of infringement. Question 1 for the jury was whether Motion Offense had proved by a preponderance of the evidence that Dropbox had infringed the claims at issue. The jury did not find infringement of any asserted claim under Question 1:

Please answer Question 1 separately for each asserted patent claim.

<p>Q1. For each asserted patent claim, has Motion Offense proven by a preponderance of the evidence that Dropbox has infringed?</p> <p>Please answer in each cell with "Yes" (for Motion Offense) or "No" (for Dropbox).</p>	
'158 patent – Claim 3	NO
'158 patent – Claim 6	NO
'158 patent – Claim 14	NO
'052 patent – Claim 12	NO
'052 patent – Claim 20	NO
'052 patent – Claim 27	NO
'548 patent – Claim 46	NO
'215 patent – Claim 18	NO

Next on the verdict form were Questions 2 and 3, which were only to be answered for the claims of the '548 and '215 patents if a claim was found infringed in Question 1. However, instead of skipping Questions 2 and 3, the jury filled out each, finding for Dropbox in both instances:

ANSWER QUESTION 2 FOR CLAIM 46 OF THE '548 PATENT AND/OR CLAIM 18 OF THE '215 PATENT ONLY IF YOU ANSWERED "YES" FOR THAT CLAIM IN QUESTION 1.

Q2. For each asserted patent claim, has Motion Offense proven by a preponderance of the evidence that the claim is entitled to a priority date of September 25, 2012?? Please answer in each cell with "Yes" (for Motion Offense) or "No" (for Dropbox).	
'548 patent – Claim 46	<i>NO</i>
'215 patent – Claim 18	<i>NO</i>

ANSWER QUESTION 3 FOR CLAIM 46 OF THE '548 PATENT AND/OR CLAIM 18 OF THE '215 PATENT ONLY IF YOU ANSWERED "YES" FOR THAT CLAIM IN QUESTION 1.

Q3. For each asserted patent claim, has Dropbox proven by clear and convincing evidence that the claim is invalid as anticipated or obvious in light of the prior art? Please answer in each cell with "Yes" (for Dropbox) or "No" (for Motion Offense).	
'548 patent – Claim 46	<i>YES</i>
'215 patent – Claim 18	<i>YES</i>

Neither party objected to the judgment before the jury was dismissed.

Approximately three months later during a meet and confer regarding Dropbox's motion for entry of judgment, Motion Offense raised—seemingly for the first time—the issue of the ignored stop instructions. Judge Albright found that under Federal Circuit precedent, the jury's verdict was a general verdict with simple "yes" or "no" answers to written questions asking the jury to apply the law to the facts, as opposed to a special verdict wherein the jury is asked to answer specific factual questions focusing exclusively on its fact-finding role.

Judge Albright then found that because Motion Offense did not timely object to the jury's general verdict (before the jury was dismissed) the arguments raised were waived under Fifth Circuit precedent. The court noted that subject matter jurisdiction was not a bar to entering judgment of invalidity here, especially considering that the jury's findings of non-infringement and invalidity were simultaneous.

Lastly, Motion Offense's challenge to the inclusion of the priority date question on the verdict form was rejected by the court. Motion Offense argued that the priority date question had no place in a final judgment because it violated the separate-document rule of Fed. R. Civ. P. 58(a). Judge Albright rejected that argument, finding that the out-of-circuit authority cited by Motion Offense was inapposite because the "mere inclusion of priority date cannot make a final judgment look like a judicial opinion or a memorandum."

Authors

Dustin Edwards

Kelly C. Hunsaker

Tyler Boyce

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