

#### **CLIENT ALERT**

# Laches Cannot Bar Damages for Patent Infringement Within the Six Year Statute of Limitations

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## SCA Hygiene Products Aktiebolag et al. v. First Quality Baby Products, LLC

Building on its 2014 copyright decision in *Petrella v. Metro-Goldwyn-Mayer, Inc.*, the Supreme Court ruled 7-1 yesterday that the equitable defense of "laches" cannot bar damages for patent infringement within the six year statute of limitations.

Focusing on the difference between courts of law and courts of equity, the majority explained that "[l]aches is 'a defense developed by courts of equity' to protect defendants against 'unreasonable, prejudicial delay in commencing suit." In this case, however, the Court explained that the equitable defense of laches was being applied to bar a claim for damages—"a quintessential legal remedy." After reviewing its decision in Petrella, which cited the traditional roles of equity and the separation of powers in barring a laches defense in copyright cases, the Court concluded that the same reasoning should apply in the patent context.

In particular, Congress's statute of limitations for patent infringement directly addresses when a claim is sufficiently timely to warrant relief. This contrasts with non-statutory equitable remedies, which do not have a Congressionally specified time limit for relief. In that context, the doctrine of laches fills this gap by providing such a limit. As the Court explained, "applying laches within a limitations period specified by Congress would give judges a 'legislation overriding' role that is beyond the Judiciary's power."

Justice Breyer dissented, emphasizing that patent and copyright are different and that, in his view, the distinction between legal and equitable remedies was not supported by the case law and did not warrant eliminating laches in the patent context. Before the merger of law and equity, he observed, most patent cases were decided by courts of equity, which applied laches to the legal remedy of damages. Justice Breyer also argued that laches was needed to fill the gap that arises of unreasonable delay in filing suit has prejudiced a defendant in a way that the statute of limitations does not remedy.

In short, laches will no longer be an available defense in patent cases.

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