No. 14-850

IN THE
Supreme Court of the United States

BECTON, DICKINSON & CO.,

*Petitioner*,

v.

RETRACTABLE TECHNOLOGIES, INC. AND THOMAS J. SHAW,

*Respondents*.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

# RESPONDENTS' BRIEF IN OPPOSITION

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## QUESTIONS PRESENTED

1. When a party fails to complain about damages in an appeal, and the court of appeals does not remand for a new trial on damages, does a district court err by refusing to reopen the case for a new trial on damages?

2. Should this Court address a perceived circuit conflict if the court of appeals specifically did not address the issue alleged to be in conflict and a resolution of the conflict would not affect the case's outcome?

## RULE 29.6 STATEMENT

Respondent Retractable Technologies, Inc. is a publicly-traded company. It has no parent corporation, and no publicly-held company owns 10 percent or more of Retractable Technologies, Inc. stock.

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# BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI

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Respondents Retractable Technologies, Inc. and Thomas J. Shaw (together, "RTI") respectfully oppose the petition for a writ of certiorari to the United States Court of Appeals for the Federal Circuit filed by Petitioner Becton, Dickinson and Company. ("BD").

## INTRODUCTION

The petition for certiorari bears little resemblance to the appeal below. Because of this appeal's procedural posture, this Court cannot reach the conflict that forms the basis of BD's petition. Accordingly, this Court should deny the Petition.

BD does not appeal a judgment following a jury trial. BD appeals an order denying a Rule 60(b) motion seeking relief from a judgment after a prior final appeal. *BD seeks relief one appeal too late.*

This appeal asked the Federal Circuit whether the trial court, as a matter of law, was required to conduct a new trial on damages when the case was not remanded for any action by the trial court. The Federal Circuit correctly answered this question by construing its earlier mandate and applying the mandate rule.

Whether BD waived anything by failing to object to the damages question at trial did not affect the outcome of the Federal Circuit's decision. The Federal Circuit expressly decided the appeal on other grounds: (1) BD's failure in its first appeal to request a new trial on damages if its appeal was partially

successful; (2) damages were included within the mandate following that first appeal; and (3) there had been no remand for a new trial on damages.

Had BD mentioned a need to retry damages in its direct appeal, the parties and the Federal Circuit might have addressed general verdict principles. But BD said nothing—a decision with practical consequences. Thus, the general verdict principles invoked in BD's Petition are not a part of this appeal.

## STATEMENT OF THE CASE

1. RTI sued BD for antitrust, Lanham Act, and patent violations in 2007. The district court severed the patent claims from the remaining claims and tried the patent claims in late 2009.

RTI's damages evidence assumed the parties would have engaged in a negotiation for a lump sum royalty that would have allowed BD to make and sell as many products as it wanted using RTI's patented technology. The damages question reflected RTI's damages theory. It asked the jury what reasonable royalty would have been paid had any of the accused devices infringed any of the asserted claims. Under this theory, it did not matter how many products were infringing; it only mattered there was *an* infringement by *a* product.

The jury found that two of BD's syringes infringed RTI's patents and found a reasonable royalty of $5 million. The district judge entered judgment based on the jury's findings and enjoined the sales of the two products, but stayed the injunction while the case was on appeal.

2. In its first, direct appeal following the patent judgment, BD presented six issues challenging the

liability findings of patent infringement, disputing an evidentiary ruling, and arguing that the district court had erred in denying BD's motion for judgment as a matter of law on its anticipation and obviousness defenses. Several of those issues would have affected one product or the other, but not both. In its conclusion, BD requested the following relief: "The Court should reverse the judgment or, in the alternative, order a new trial on infringement and/or invalidity."

BD's appellant's brief did not mention damages except as a part of its background discussion. Even though there were two products at issue, BD never asked the Federal Circuit to remand the case for a reconsideration of damages if only one of the two products was found to be infringing.

3. The Federal Circuit reversed the district court's judgment in part, finding that one of the two accused syringes did not infringe. *Retractable Tech's, Inc. v. Becton, Dickinson and Co.*, 653 F.3d 1296 (Fed. Cir. 2011). Otherwise, the court of appeals affirmed the judgment. In accordance with its ruling, the Federal Circuit ordered, "REVERSED IN PART AND AFFIRMED IN PART." *Id.* at 1311. The court did not remand any issues to the district court for consideration. Following BD's lead, the Federal Circuit's opinion did not mention damages.

RTI moved for rehearing en banc. *Retractable Tech's, Inc. v. Becton, Dickinson and Co.*, 659 F.3d 1369 (Fed. Cir. 2011) (Rader, C.J., Moore, J., and O'Malley, J., dissenting from denial of the petition for rehearing en banc). But BD did not file a motion telling the Federal Circuit it should have remanded damages for a recalculation. RTI also filed a petition for writ of certiorari and BD filed a conditional cross-

petition. But BD did not then complain to this Court about the Federal Circuit's failure to remand on damages. *See* Cause Nos. 11-1154, 11-1278.

4. Following BD's first appeal, the issue whether further action was required arose in the severed antitrust and Lanham Act portion of the case. As BD points out, RTI initially thought the Federal Circuit decision might require further action. On further reflection, however, RTI realized that was not correct. The Federal Circuit had not remanded anything to the district court, and BD had not requested that damages be recalculated in the event of a partial reversal of infringement.

BD raised the question of a damages retrial in the district court by filing a motion under Federal Rule 60 for relief from a judgment or order. BD based its motion on Rule 60(b)(5), providing a court *may* relieve a party from a final judgment when "(5) the judgment has been satisfied, released, or discharged; it is based on an earlier judgment that has been reversed or vacated; or applying it prospectively is no longer equitable." FED. R. CIV. P. 60(b)(5). In particular, BD relied on the provision concerning a judgment based on an earlier reversed or vacated judgment. *Retractable Tech's, Inc. v. Becton, Dickinson and Co.*, No. 2:07-CV-250-LED-RSP, 2013 WL 4037929, at *3 (E.D. Tex. Aug. 7, 2013) (report and recommendation of United States Magistrate Judge).

The magistrate recommended denial of BD's Rule 60 motion. *Id.* at *4. The district court adopted the magistrate's report and recommendation and wrote separately stating additional reasons for denying the motion. *Id.* at *1.

5. Following this adverse decision, BD filed a second appeal—this time from the denial of its Rule 60 motion. In its Appellant's Brief, it never once used the phrase "general verdict." The entirety of BD's Statement of Issues read: "Whether the district court erred in ruling that it was foreclosed by the mandate rule from conducting further proceedings to recalculate damages following this Court's partial reversal holding that one of the devices subject to the damages award did not infringe any patent."

In affirming the district's denial of BD's motion, the Federal Circuit focused on its mandate, the mandate rule, and BD's failure to mention damages, even as a contingent matter, in its first appeal. The Court pointed out, "Becton's current substantive argument—that the damages award must be revisited if either one of the two products at issue are found not to infringe—could have and should have been raised in the previous appeal." *Retractable Tech's, Inc. v. Becton, Dickinson and Co.*, 757 F.3d 1366, 1370 (Fed. Cir. 2014). "Becton not only made no effort to raise the issue, *it arguably made an effort to avoid raising the issue*…." *Id.* at 1371 (emphasis added). "The damages award was within the scope of the appealed judgment and thus was incorporated into the mandate when Becton failed to raise the issue of a remand to consider parsing damage by product." *Id.*

In its final paragraph, the Court stated, "Concluding that the mandate rule forecloses the relief that Becton seeks, *we need not reach the arguments as to Becton's waiver of the issue* or whether Rule 60(b) was an appropriate vehicle for the requested relief." *Id.* at 1373.

## REASONS FOR DENYING THE PETITION

### I. THE FEDERAL CIRCUIT'S DECISION, CONCERNING THE MEANING OF ITS MANDATE, DOES NOT WARRANT REVIEW

The Federal Circuit correctly interpreted its mandate from BD's first appeal, wherein BD failed to request a remand in the event of a partial reversal of liability. That decision does not implicate any issues that warrant this Court's review.

#### A. BD Seeks to Create a New Rule Forgiving Appellants For Their Failure to Raise Issues on Appeal

Under its first issue, BD complains about the Federal Circuit's failure to abide by what BD calls the "general verdict rule" and the Federal Circuit's "normal rule." Those rules supposedly compelled the Federal Circuit to remand for a retrial of damages when it partially reversed the liability findings in the first appeal.

BD never requested a retrial of damages in its first appeal. It did not request a new trial on damages at all, and it did not request a new trial on damages in the event of a partial reversal of liability. BD only requested a new trial of either liability or invalidity. And when the Federal Circuit issued a decision and mandate without a remand order, BD never moved to modify or correct the mandate, never moved for rehearing, and did not raise this point in connection with the petitions for writ of certiorari filed during the direct appeal of the patent judgment.

The real rule BD seeks is that the "normal rule" and the "general verdict rule" apply to require a retrial regardless what relief BD sought in its initial

appeal and regardless what the Federal Circuit's mandate states. *BD does not point to any circuit conflicts with regard to this issue.*

BD barely alludes to the real issue in this case. On page 15 of its petition, it finally mentions in passing that parties "have no reason to raise the general verdict rule in advance of a partial reversal on appeal because the predicate for the rule's application does not yet exist." Petition at 14-15. Rule 28 requires the appellant to include a "short conclusion stating the precise relief sought." FED. R. APP. P. 28(a)(9). Yet, BD insists—despite Rule 28—it did not need to mention it wanted a damages retrial if it was partially successful. This is the real heart of BD's petition for certiorari. BD seeks an escape-hatch for its failure to seek a retrial of damages at any juncture in its first, direct appeal from the adverse judgment against it.

### B. The Federal Circuit's Decision Does Not Conflict With This Court's Precedent

This Court has required a remand in some circumstances if there has been a partial reversal, but it has never required a district court to conduct a new trial when the case has not been remanded to it, and especially not when the appellant never asked for that relief.

BD's request for relief in its initial appeal was very specific. It requested the court of appeals to reverse the judgment or alternatively to order a new trial "on infringement and/or invalidity." As the Federal Circuit noted in BD's second appeal, its previous decision did not create a "basis for a new trial on infringement or invalidity" and so "no remand was ordered." *Retractable*, 757 F.3d at 1369.

BD had good reason not to pursue a new trial on damages. At trial, RTI had introduced evidence of damages of a lump sum royalty of $72 million based on a hypothetical negotiation. BD had presented its alternative damages of a $3 million reasonable royalty based on sales. The jury's verdict of $5 million essentially was a victory for BD. As the lower court noted, "[t]he obvious effect of ordering a new trial only on infringement or invalidity would be to leave the damage award intact if plaintiff again prevailed on infringement and invalidity." *Retractable*, 2013 WL 4037929, at *2.

So the Federal Circuit analyzed precisely what BD requested in its first appeal and responded accordingly. BD now insists that its request for relief should have been read to include an implicit request for partial remand in the case of a partial reversal.[1] Petition at 15. BD cites no case from any court holding that such an implied requirement may be imposed in a court of appeals mandate after the mandate issues.

BD provides a list of this Court's decisions supposedly on the general verdict rule and supposedly requiring "further proceedings at the district court…." Petition at 11-12.[2] Those are cases

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[1] Suppose a party does not want a new trial on damages no matter what. BD's arguments would impose a new trial on that party even if it purposefully had not requested one. BD's rule would require parties to specifically list the relief *they do not want*.

[2] *See, e.g., Exxon Shipping Co. v. Baker*, 554 U.S. 471, 482 n.3 (2008) (punitive damages remitted after punitive damages had consistently been directly appealed to the appellate court following trials and remands); *Spectrum Sports, Inc.* v. *McQuillan*, 506 U.S. 447, 459-60 (1993) (remanding to court of appeals in light of reversal in direct appeal from district court's judgment following a jury trial); *City of Columbia* v. *Omni*

in which the question about a remand arose in the initial, direct appeal. BD's cited authorities do not hold that the alleged "remand" requirement survives that first appeal and can be pursued much later in a Rule 60 motion. BD's cited cases do not hold that, if there is no remand for a new trial on damages, the district court should determine what it thinks the court of appeals *should* have done and do it on its own.

BD's Petition implies that the "general verdict" rule survives a mandate in a first appeal and can be raised whenever BD might happen to get around to it after the appeal's conclusion. BD points to no case holding to that effect.

The Federal Circuit addressed this issue when BD argued that previous Federal Circuit decisions created a "normal rule" that required reversal for a new damages trial. *Retractable*, 757 F.3d at 1370 (referring to previous decisions in *Accentra, Inc. v. Staples, Inc.*, 500 Fed. App'x. 922, 931 (Fed. Cir. 2013); *Verizon Servs. Corp. v. Vonage Holdings Corp.*, 503 F.3d 1295, 1310 (Fed. Cir. 2007); and *NTP, Inc. v. Research in Motion, Ltd.,* 418 F.3d 1282 (Fed. Cir. 2005)). As the Federal Circuit noted, those decisions did not mean that a district court was free to conduct a new trial in the absence of such a remand:

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*Outdoor Adver., Inc.*, 499 U.S. 365, 384 (1991) (in a direct appeal from a judgment, this Court remanded to the court of appeals to determine whether a new trial should be granted); *Memphis Cmty. Sch. Dist.* v. *Stachura*, 477 U.S. 299, 312-13 (1986) (determining in a direct appeal challenging the damages instructions that the case had to be remanded for new trial on damages). *All of BD's cited cases deal with direct appeals from the judgment. They do not deal with appeals from Rule 60 motions after the first appeal concluded.*

> But *Verizon, NTP*, and *Accentra* were all cases in which our court specifically remanded the question of damages to the district court, either because we were requested to do so or determined *sua sponte* under the circumstances before us that such action was appropriate. *The cases do not stand for the proposition that the district court is required, let alone permitted, to revisit damages in the absence of a reversal or remand of a damages determination* within a judgment of invalidity or infringement appealed to this court. While this court regularly issues remands when requested and appropriate, or on our own initiative if some but not all products are found on appeal not to infringe, *there is no "normal rule" giving district courts the authority to regularly revisit or recalculate damages that fall within our mandate*.

*Retractable*, 757 F.3d at 1370 (emphasis added).

Contrary to BD's assertions, this case does not create a new rule that will haunt patent appeals. As the Federal Circuit pointed out, appellate courts assume "the appellant has fully set forth its attack on the judgment below." *Retractable*, 757 F.3d at 1371 (quoting *Engel Indus., Inc. v. Lockformer Co.*, 166 F.3d 1379, 1383 (Fed. Cir. 1999)). And the rules require appellants to precisely state the relief they are seeking. FED. R. APP. P. 28(a)(9). It would have been easy for BD to mention, even in the alternative, that it was requesting a new trial in the event of a partial reversal. "Becton conceded at oral argument that in a single sentence in the previous appeal it could have raised the issue of remanding the damages issue." *Retractable*, 757 F.3d at 1370. It seems little to ask that parties merely inform the

appellate courts what it is they are seeking on appeal. BD never did.

BD's failure in its first appeal to inform anyone that it wanted a remand on damages entirely defeats BD's Petition. This Court should deny the Petition.

## II. THIS COURT CANNOT REACH BD'S ASSERTED CONFLICT

BD argues this Court should grant the Petition based on a conflict among the courts of appeals. Petition at 16-24. The Court cannot reach that conflict in this case.

BD's conflict concerns whether parties are required to object to jury questions that contain general verdicts. But that conflict does not pertain to this appeal because the Federal Circuit's opinion does not turn on whether BD objected to the jury question.[3]

### A. The Federal Circuit Decision Did Not Turn on Charge Waiver

BD's charge waiver argument relies on a single statement in the Federal Circuit decision that BD failed to object to the verdict form. But, in that very same sentence, the Federal Circuit expressly relied on BD's failure to raise the issue in its appeal. So, while the court noted BD had not "objected to Interrogatory No. 6," it simultaneously pointed out

[3] BD's most important failures occurred on appeal. Whether there was waiver at the charge objection stage was not necessary to the district court's or the Federal Circuit's decisions, thereby rendering irrelevant the parties' discussion of those objections in the briefs. The Federal Circuit made it clear that the overriding problem was BD's failure to request a remand for a damages retrial in its appeal. *Retractable*, 757 F.3d at 1370-73.

that BD had failed to indicate "to this court or Retractable that it believed a partial reversal would require revisiting that award." *Retractable*, 757 F.3d at 1371.

The Federal Circuit emphasized repeatedly BD's primary failure—that BD had failed to mention damages or the need for a new trial on damages in the first, direct appeal:

- "Becton's current substantive argument—that the damages award must be revisited if either one of the two products at issue are found not to infringe—could have and should have been raised in the previous appeal." 757 F.3d at 1370.
- "Becton … made no effort to raise the issue…" *Id.* at 1371.
- "The damages award was within the scope of the appealed judgment and thus was incorporated into the mandate when Becton failed to raise the issue of a remand to consider parsing damages by product." *Id.*
- "Here, as discussed above, Becton could have and should have raised the issue at the previous appeal." *Id.* at 1372.
- To the extent that Becton desired a partial reversal to have greater impact, it had the opportunity to request a remand on damages in the first appeal but did not." *Id.* at 1373.
- "Becton had a fair opportunity to raise the issue during the prior appeal but did not." *Id.*

And to cement the fact that charge waiver was not a part of its decision, the Federal Circuit summarized its ruling. "Concluding that the mandate rules forecloses the relief that Becton seeks,

*we need not reach the arguments as to Becton's waiver of the issue* or whether Rule 60(b) was an appropriate vehicle for the requested relief." *Id.*

The Federal Circuit specifically announced it was not determining any waiver arguments in affirming the district court's decision to deny BD's Rule 60 motion. As a result, BD's "conflict" regarding charge waiver has no place in this appeal. This Court cannot reach that issue given the Federal Circuit's decision.

### B. Resolution of BD's Alleged Conflict Would be Irrelevant to This Case's Outcome

Where, as here, a case does not fairly present the legal question over which there is a conflict, this Court should deny the writ. *See Rogers v. United States*, 522 U.S. 252, 258-59 (1998) ("We therefore conclude that the record does not fairly present the question that we granted certiorari to address."); *see also id.* at 259 (O'Connor, J., concurring in result, joined by Scalia, J.) ("[W]e ought not to decide the question if it has not been cleanly presented."). There is no reason to grant a petition for certiorari if the Court cannot reach the conflict at issue or if resolution of that conflict will not affect the case's outcome:

> While this Court decides questions of public importance, it decides them in the context of meaningful litigation. Its function in resolving conflicts among the Courts of Appeals is judicial, not simply administrative or managerial. Resolution here of the extent to which these bill of lading provisions may be given effect by our courts can await a day when the issue is posed less abstractly.

*The Monrosa v. Carbon Black Export, Inc.*, 359 U.S. 180, 184 (1959) (dismissing writ of certiorari as improvidently granted); *see also* S. Shapiro, K. Geller, T. Bishop, E. Hartnett, & D. Himmelfarb, SUPREME COURT PRACTICE § 4.4(f), p. 249 (10th ed. 2013) (if the resolution of a conflict is irrelevant to the ultimate outcome of the case before the Court, then the Court should deny certiorari).

BD's Petition asks this Court to reverse a decision the Federal Circuit never made. This Court should decline this pointless invitation.

## CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted,

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