

Laches, Estoppel and Declaratory Judgment: Peril in the Face of Inaction

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Laches

- Elements
 - Unreasonable and inexcusable **delay** in bringing suit (knew or should have known)
 - Material prejudice as a result of the delay (economic or evidentiary)
- Considerations
 - Equitable remedy
 - 6 year presumption
 - Preponderance of the evidence

Laches

- **Remedy**
 - Damages prior to the initiation of the suit are barred
- **Leading case**
 - **A.C. Aukerman Co. v. R.L. Chaides Construction Co., 960 F.2d 1020 (Fed. Cir. 1992)**

Estoppel

- **Elements**
 - Patentee misled the infringer into believing that it would not enforce its patent
 - Reliance on the misleading conduct
 - Material prejudice to the alleged infringer if the lawsuit were to proceed
- **Considerations**
 - Equitable remedy
 - Preponderance of the evidence

Estoppel

- **Remedy**
 - All damages are barred
- **Leading Case**
 - **A.C. Aukerman Co. v. R.L. Chaides Construction Co., 960 F.2d 1020 (Fed. Cir. 1992)**

Declaratory Judgment

- **Elements**
 - 28 U.S.C. § 2201 (actual case or controversy)
 - U.S. Constitution, Article III
 - Reasonable apprehension of suit
 - Immediacy of the alleged infringing activity
- **Considerations**
 - Granting is in the discretion of the court
 - Totality of the circumstances to determine apprehension

Declaratory Judgment

- **Factors**

- From whom do the threats come?
- Are customer threats implicated?
- Are other companies being sued or threatened?
- Has the response period been too short?

- **Leading case**

- Super Sack Manufacturing Corp. v. Chase Packaging Corp., 57 F.3d 1054 (Fed. Cir. 1995)

Declaratory Judgment

- **Medimmune v. Genentech (U.S. Supreme Court January 9, 2007)**
 - “...the requirements of [a] case or controversy are met where payment of a claim is demanded as of right and where payment is made, but where the involuntary or coercive nature of the exaction preserves the right to recover the sums paid or to challenge the legality of the claim.’” (citing Altvater)

