

No. 17-1669

IN THE
Supreme Court of the United States

PROMEGA CORPORATION,
Petitioner,

v.

LIFE TECHNOLOGIES CORPORATION,
INVITROGEN IP HOLDINGS, INC., AND
APPLIED BIOSYSTEMS, LLC,
Respondents.

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

BRIEF IN OPPOSITION

CARTER G. PHILLIPS*
ROBERT N. HOCHMAN
ERIKA L. MALEY
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, DC 20005
(202) 736-8000
cphillips@sidley.com

August 15, 2018

* Counsel of Record

QUESTION PRESENTED

Whether Federal Rule of Civil Procedure 50(d) requires courts to permit parties to raise arguments that they waived at an earlier stage of the case.

RULE 29.6 STATEMENT

Pursuant to Supreme Court Rule 29.6, Respondents Life Technologies Corporation, Applied Biosystems, LLC, and Invitrogen IP Holdings, Inc. state that Applied Biosystems, LLC and Invitrogen IP Holdings, Inc., are wholly owned subsidiaries of Life Technologies Corporation, and Life Technologies Corporation is an indirect wholly-owned subsidiary of Thermo Fisher Scientific Inc. There is no other publicly held corporation owning 10 percent or more of the stock of respondents.

TABLE OF CONTENTS

	Page
QUESTION PRESENTED	i
RULE 29.6 STATEMENT	ii
TABLE OF AUTHORITIES	iv
INTRODUCTION	1
STATEMENT OF THE CASE.....	3
REASONS FOR DENYING THE PETITION	7
I. PROMEGA MISCONSTRUES THE FEDERAL CIRCUIT’S DECISION, WHICH DOES NOT CONFLICT WITH RULINGS OF THIS COURT OR OTHER COURTS OF APPEALS, AND LACKS ONGOING IMPORTANCE	8
A. This Case Does Not Present The Question That Promega Asks This Court To Review	8
B. The Decision Below Does Not Conflict With Any Rulings Of This Court Or Courts Of Appeals.....	11
C. The Decision Below Lacks Ongoing Importance	15
II. THE FEDERAL CIRCUIT’S RULING IS HIGHLY FACT-INTENSIVE AND CORRECT	17
CONCLUSION	23

TABLE OF AUTHORITIES

CASES	Page
<i>Boyle v. United Techs. Corp.</i> , 487 U.S. 500 (1988).....	11, 18
<i>Collins v. Illinois</i> , 830 F.2d 692 (7th Cir. 1987).....	14
<i>Cone v. W. Va. Pulp & Paper Co.</i> , 330 U.S. 212 (1947).....	13
<i>Ericson Inc. v. TCL Commc'n Tech. Holdings, Ltd.</i> , 2018 WL 2149736 (E.D. Tex. May 10, 2018), <i>appeal docketed</i> , No. 18-2003 (Fed. Cir. May 24, 2018).....	17
<i>Erwin v. Cty. of Manitowoc</i> , 872 F.2d 1292 (7th Cir. 1989).....	14, 15
<i>Finjan, Inc. v. Blue Coat Sys., Inc.</i> , 879 F.3d 1299 (Fed. Cir. 2018).....	16
<i>Graver Tank & Mfg. Co. v. Linde Air Prods. Co.</i> , 336 U.S. 271 (1949).....	23
<i>Life Techs. Corp. v. Promega Corp.</i> , 137 S. Ct. 734 (2017).....	6
<i>McKenna v. Pac. Rail Serv.</i> , 817 F. Supp. 498 (D.N.J. 1993).....	18
<i>McKenna v. Pac. Rail Serv.</i> , 32 F.3d 820 (3d Cir. 1994).....	19
<i>Neely v. Martin K. Eby Constr. Co.</i> , 386 U.S. 317 (1967).....	11, 12, 13, 21
<i>Pennzoil Expl. & Prod. Co. v. Oxy USA, Inc.</i> , 99 F.3d 1134 (5th Cir. 1996), 1996 WL 595608.....	18
<i>Popovits v. Circuit City Stores, Inc.</i> , 185 F.3d 726 (7th Cir. 1999).....	11, 14, 18
<i>Wallace v. McGlothan</i> , 606 F.3d 410 (7th Cir. 2010).....	14
<i>Weisgram v. Marley Co.</i> , 528 U.S. 440 (2000).....	12, 13

TABLE OF AUTHORITIES—continued

STATUTES	Page
35 U.S.C. § 271(a).....	22
§ 271(f)(1)	1, 6, 22
RULE	
Sup. Ct. R. 10.....	1, 11, 16
OTHER AUTHORITIES	
Stephen M. Shapiro et al., <i>Supreme Court Practice</i> (10th ed. 2013)	9, 13, 15, 16
9B Wright & Miller, <i>Federal Practice and Procedure</i> (3d ed. 2017).....	10, 13
11 Wright & Miller, <i>Federal Practice and Procedure</i> (3d ed. 2017).....	10

INTRODUCTION

This case does not present the question that petitioner Promega Corporation (“Promega”) contends this Court should review. Promega misconstrues the ruling below, which involves no important question of law and does not conflict with rulings of this Court or other Courts of Appeals. Sup. Ct. R. 10. Rather, the Federal Circuit’s decision is a garden-variety application of ordinary waiver doctrine, based upon the court’s thorough and fact-intensive review of the trial record. The petition should be denied.

Promega deliberately chose throughout trial and in its opposition to respondent Life Technologies’ (“Life’s”) motion for judgment as a matter of law (“JMOL”) to present no evidence or arguments regarding patent infringement damages attributable to domestic sales. Instead, Promega sought a jackpot award based on Life’s total worldwide revenue. The district court explicitly warned Promega that if its sweeping patent infringement argument for foreign sales under 35 U.S.C. § 271(f)(1) failed—as it ultimately did—any judgment for Promega would have to rest on evidence that quantified actually infringing domestic sales. Promega chose not to introduce such evidence. Both the district court and the Federal Circuit correctly held Promega to the “all-or-nothing damages strategy that Promega pursued throughout the litigation,” and refused to give it a do-over to pursue a strategy that it had considered, rejected, and therefore waived. Pet. App. 17a, see also *id.* at 7a-9a.

The Federal Circuit did not hold—as Promega asserts—that “a verdict winner must raise new-trial arguments in its opposition to a motion for judgment as a matter of law in order to raise those arguments in a timely motion for a new trial.” Pet. (i). Instead,

the appellate court correctly ruled that, during trial and in opposition to Life's post-trial motions, "Promega waived any argument that the trial record could support a damages award based on a subset of total sales by wholly failing to address Life's argument on this point." Pet. App. 17a. There is no reason for this Court to review this correct and fact-bound application of ordinary waiver principles.

In addition, this case does not warrant review because the ruling below does not conflict with any decisions of this Court or other courts. Promega does not contend that there is any circuit split. And the decisions of this Court that Promega relies upon merely state that a party may file a motion for a new trial after judgment is granted against it; they neither hold nor suggest that a party must be permitted to raise arguments it has consciously and unequivocally waived. So Promega is left with the unsupported and radical assertion that standard waiver rules apply only to "verdict losers," not "verdict winners." Pet. 18. No case supports this view, and for good reason. Courts should not give parties the incentive to treat trial as a dry run, raising new arguments for the first time after judgment is entered against them.

Finally, review is unwarranted because this case lacks going-forward importance. Rather than having "far-reaching consequences" as Promega asserts, Pet. 4, the ruling below is tightly bound to the highly unusual factual context and procedural posture of this case. Promega points to no case that has even considered the question presented, and Life is aware of none. Further, the key issue is not the proper legal standard, but the fact-intensive question whether the record supports a finding of waiver; the district court and Federal Circuit both closely reviewed the record and correctly held that it does.

As the Federal Circuit explained, this is an “unusual case” on the facts, because the “plaintiff deliberately [took] a risk by relying at trial exclusively on a damages theory that ultimately prove[d] unsuccessful,” even though it was expressly on notice of that risk. Pet. App. 26a-27a. The court rightly refused to relieve Promega of the consequences of its chosen strategy. The petition for certiorari should be denied.

STATEMENT OF THE CASE

From 2006 through 2012, Life assembled genetic testing kits in the United Kingdom and sold them worldwide. Pet. App. 4a-5a. Promega was the exclusive licensee of a U.S. patent which expired in 2015. *Id.* at 4a. Life had a license from Promega that covered certain uses of the kits. In 2010, Promega sued Life, seeking damages for worldwide sales of certain kits, some of which it claimed were sold for uses outside the scope of the license. The district court granted summary judgment that the accused kits practiced the patent, but “did not resolve the ultimate issue of Life’s liability for infringement—that is, the district court did not decide how many of Life’s kits, all assembled abroad, were sold, offered for sale, or imported into the United States (§ 271(a)) or included a substantial portion of their respective components that were supplied from the United States (§ 271(f)(1)).” Pet. App. 4a-5a.

At trial, the parties stipulated that Life’s worldwide total revenue from the accused kits for the relevant period was \$707 million. Pet. App. 5a. During trial, Promega argued exclusively for lost profits based on the stipulated worldwide revenue, discounting only for the proportion of products worldwide purportedly covered by the license. That is, Promega chose an “all or nothing” approach to damages. Rather than

separately quantifying domestic and foreign sales, Promega insisted on presenting one worldwide figure. Indeed, Promega successfully objected to Life's attempts to quantify domestic sales. APPX6126:23-6132:17 ("Q. What are the total U.S. sales of STR kits since 2006? A. It's about —. [Counsel for Promega]: Objection. Relevance."). Promega also waived any request for a reasonable royalty, instead solely seeking worldwide lost profits. Pet. App. 14a ("Counsel for Promega: 'Royalties? Don't want them. Wouldn't have taken them.'").

At the close of Promega's case, Life sought JMOL because Promega had submitted legally insufficient proof to support its theory that foreign sales infringed under § 271(f)(1), and had failed "to prove which [domestic] products/sales are eligib[le] for damages under Section 271(a)." APPX5735:24-5736:5. The district court agreed that "Promega still needed to prove the amount of damages attributable to infringement under § 271(a) and the amount of damages attributable to infringement under § 271(f)(1)." Pet. App. 6a; APPX6190:11-16 ("[P]laintiff thought that it didn't have to put in any more than it already had, and that's not correct."). However, rather than granting JMOL immediately, the district court gave Promega a "second chance," ruling that it could present the evidence during rebuttal. Pet. App. 6a.

Promega declined. Promega "did not proffer evidence or elicit testimony intended to prove a specific amount of domestic, foreign, or any other subset of total sales." Pet. App. 7a-8a. Rather, "Promega relied only on the stipulated worldwide sales figure as a potential damages base." *Id.* at 7a. Promega asked the jury to take all of Life's stipulated \$707 million in worldwide sales, "subtract out" the worldwide licensed sales, and "multiply that by [Promega's] gross

[profit] margin percentage.” See APPX5667:22-5669:13; APPX6424:3-6425:19. On the verdict form, over Life’s objection, Promega also “prevent[ed] the jury from calculating separate damages numbers under § 271(a) and § 271(f)(1),” instead asking the jury to “calculate a single damages amount.” Pet. App. 8a. This all-or-nothing strategy appeared to pay off when the jury awarded \$52 million in lost profits based on Life’s worldwide sales.

Following the verdict, Life renewed its JMOL motion. Life argued that the verdict based on worldwide sales could not stand because products assembled and sold abroad, with merely a single commodity component supplied from the U.S., did not infringe under § 271(f)(1). APPX2345. It followed that JMOL should be entered against Promega, because Promega did not present sufficient evidence of any damages amount limited to infringing sales, instead exclusively pursuing its worldwide, “all or nothing” damages strategy. Pet. App. 9a; ECF No. 581 at 11, 17-18. In response, Promega “did not deny that it took an ‘all or nothing’ approach at trial,” APPX2359, and “did not dispute Life’s separate argument that Promega presented insufficient evidence to support a lesser damages award,” Pet. App. 9a. Instead, Promega continued to argue solely that all worldwide unlicensed sales were infringing.

The district court agreed with Life. The verdict could not stand because it improperly included lost profits on noninfringing foreign sales. And Life was entitled to judgment in its favor because “Promega had waived any argument that the trial record could support a damages calculation based on an amount other than worldwide sales by failing to contest Life’s argument in its opening JMOL brief that the record

contained no evidence that a jury could use to perform such a calculation.” *Id.* at 9a-10a.

After obtaining new counsel, Promega attempted to shift position. It moved for reconsideration of the JMOL ruling, or in the alternative a new trial, “arguing for the first time that the evidence could support a damages award based on a subset of worldwide sales.” Pet. App. 11a. The district court denied the motion, ruling that Promega had waived the argument. Promega was not entitled to a new trial based on an argument that “should have been presented to the court prior to judgment.” *Id.* at 24a.

On appeal, the Federal Circuit reversed the district court’s interpretation of § 271(f)(1), held that kits assembled overseas with just a single U.S.-sourced commodity component infringed under § 271(f)(1) and, therefore, held that all of Life’s foreign sales could be included in the damages calculation. Pet. App. 11a-12a.

This Court granted Life’s petition for certiorari and reversed, holding that the U.S. supply of a single commodity component of a multicomponent invention for manufacture abroad does not give rise to § 271(f)(1) liability. *Life Techs. Corp. v. Promega Corp.*, 137 S. Ct. 734 (2017). This Court remanded the case to the Federal Circuit for further proceedings consistent with its opinion. *Id.* at 743.

The Federal Circuit had previously vacated the district court’s JMOL for Life only because it had disagreed with the district court regarding the scope of liability under § 271(f)(1). This Court restored that premise of the district court’s ruling. On remand from this Court, the Federal Circuit affirmed the district court’s JMOL.

The appellate court “agree[d] with the district court that Promega waived any argument that the trial record could support a damages award based on a subset of total sales by wholly failing to address Life’s argument on this point.” Pet. App. 17a. Promega’s JMOL position was “completely consistent with Promega’s all-or-nothing damages strategy that Promega pursued throughout the litigation.” *Id.* The panel rejected Promega’s assertion that Rule 50(d) permitted it to raise the waived argument. The court acknowledged “[t]hat a motion for a new trial is procedurally permitted by Rule 50 after a grant of JMOL against a verdict winner,” but that “does not ... permit retrial as a matter of course on theories not pursued in the original trial.” *Id.* at 24a.

Promega filed a petition for rehearing en banc, which the court denied. Promega thereafter filed this petition for a writ of certiorari.

REASONS FOR DENYING THE PETITION

The petition should be denied. The “question presented” that Promega asks this Court to review is not presented by this case. The court below did not hold that a party must raise all potential arguments for a new trial in its JMOL opposition in order to raise them in a later motion under Federal Rule of Civil Procedure 50(d). The court held only that Rule 50(d) does not undo ordinary waiver principles; an argument raised for the first time in a new trial motion is waived if it could and should have been raised prior to judgment.

The case also does not warrant this Court’s review because the ruling below does not conflict with any decision of this Court or other courts of appeals, and does not present an important, recurring issue of law. This Court has held only that a motion for a new trial

under Rule 50(d) may be filed after JMOL is granted; it has never held that new trial motions are exempt from ordinary waiver principles. Promega does not contend that the circuits are split, and they are not. The issue arises infrequently and appears to be the subject of no prior decisions of any court. The ruling has little ongoing significance; it is tightly bound to the unusual factual and procedural circumstances of this case.

Finally, this Court's review is not warranted because the decision below is correct and uncontroversial. Both throughout trial and in opposing Life's JMOL motion, Promega pursued an "all or nothing" damages strategy, seeking damages based solely on all worldwide sales, and eschewing any apportionment between domestic and foreign damages. A key premise of Life's JMOL motion, echoing a subject of repeated discussion during trial, was that Promega had not presented sufficient evidence of any lesser subset of damages, and that therefore Life was entitled to judgment in its favor if Promega's legal argument for worldwide damages failed. Promega made its choice at trial and offered no response in its opposition, thereby waiving any argument that it had presented sufficient evidence of a subset of damages.

I. PROMEGA MISCONSTRUES THE FEDERAL CIRCUIT'S DECISION, WHICH DOES NOT CONFLICT WITH RULINGS OF THIS COURT OR OTHER COURTS OF APPEALS, AND LACKS ONGOING IMPORTANCE.

A. This Case Does Not Present The Question That Promega Asks This Court To Review.

The petition should be denied because the "case at hand does not fairly present the legal question" that

Promega asks this Court to review. Stephen M. Shapiro et al., *Supreme Court Practice* § 4.4(g), at 249 (10th ed. 2013). Promega asserts that the “question presented” is whether “notwithstanding Federal Rule of Civil Procedure 50(d), a verdict winner must raise new-trial arguments in its opposition to a motion for judgment as a matter of law in order to raise those arguments in a timely motion for a new trial after entry of judgment.” Pet. (i). This case does not present that question. The court below did not “requir[e] the verdict winner to raise all new-trial arguments in opposition to JMOL—on pain of waiver,” Pet. 17-18, or hold “that Promega waived its right to a new trial by failing to ask for one in its response to Life Tech’s JMOL motion,” *id.* at 14.

Rather, the court held that “[w]hen a plaintiff deliberately takes a risk by relying at trial exclusively on a damages theory that ultimately proves unsuccessful, and, when challenged, does not dispute that it failed to present an alternative case for damages, a district court does not abuse its discretion by declining to give that plaintiff multiple chances to correct deficiencies in its arguments or the record.” Pet. App. 27a. Indeed, the Federal Circuit made clear that it was *not* holding in general that “arguments in support of a motion for a new trial ‘must be raised in a JMOL opposition to preserve them,’” disagreeing with Promega’s characterization of the issue. *Id.* at 23a-24a.

Instead, the court held that “Promega waived any argument that the trial record could support a damages award based on a subset of total sales by wholly failing to address Life’s argument on this point.” Pet. App. 17a; see APPX2366. This issue was not an “alternative new trial argument[],” Pet. 18; it was an essential premise of Life’s request for JMOL. Life

would not be entitled to full judgment in its favor unless there was no basis in the record for any legitimate damages award. See, *e.g.*, 9B Wright & Miller, *Federal Practice and Procedure* § 2524 (3d ed. 2017) (JMOL is proper only where there is no “evidence upon which the jury might reasonably find a verdict for that party”). As Promega itself argues, Life’s motion for JMOL could be granted only if “Promega had failed to introduce testimony that could support a finding of *any* damages for U.S. infringement.” Pet. 29; see *id.* at 24 n.4 (to be entitled to JMOL, “Life-Tech would have needed to show that Promega had quantified *no* U.S. sales at all”).

That’s why if Promega “wanted to argue that the evidence at trial supported a damages calculation based on anything other than worldwide sales, it should have raised such an argument at trial and in response to Life’s Rule 50(b) motion.” Pet. App. 24a-25a. That argument would not have been an “alternative argument[] for a new trial.” Pet. 19. It would have been a reason to reject Life’s request for judgment in its favor; Promega would have been contending that one of the essential premises of Life’s claim to judgment was wrong. Promega did not make that argument. Instead, it responded only that the jury verdict was valid because worldwide sales were infringing. Pet. App. 23a-24a; see *id.* at 17a n.10. As discussed above, that was Promega’s persistent position during trial as well. See 3-5, *supra*.

Under ordinary waiver rules, Promega therefore waived the argument by failing to raise it prior to its new-trial motion. It is black-letter law that a party cannot seek a new trial “on the basis of a theory not urged at the first trial,” 11 Wright & Miller, *supra*, § 2805, or “advance arguments that could or should have been presented to the district court prior to the

judgment,” *Popovits v. Circuit City Stores, Inc.*, 185 F.3d 726, 730 (7th Cir. 1999) (quoting *Moro v. Shell Oil Co.*, 91 F.3d 872, 876 (7th Cir. 1996)). “If the evidence presented in the first trial would not suffice, as a matter of law, to support a jury verdict,” then “judgment c[an] properly be entered ... at once, without a new trial.” *Boyle v. United Techs. Corp.*, 487 U.S. 500, 513 (1988); see 18-19, *infra*. Indeed, Promega concedes that a party can be barred from raising a particular argument in support of a new trial motion when it has waived that argument at an earlier stage of the case. Pet. 26 (“None of this is to say that a verdict winner cannot waive its right to a new trial in appropriate circumstances”).

Promega argues only that the court below erred in holding that “every alternative new-trial argument must be raised in response [to a JMOL motion], or it is waived,” thereby “swallow[ing] Rule 50(d) and forc[ing] verdict winners to raise all their new-trial arguments in opposing JMOL before it is clear whether the verdict will be disturbed.” Pet. 25. But that is simply not what the court below held. Because this case does not actually present the question that Promega asks this Court to review, the petition should be denied.

B. The Decision Below Does Not Conflict With Any Rulings Of This Court Or Courts Of Appeals.

In addition, the petition should be denied because the decision below does not conflict with any rulings of this Court or the courts of appeals. Sup. Ct. R. 10.

1. Promega argues that the Federal Circuit’s ruling conflicts with a handful of this Court’s decisions, relying most heavily on *Neely v. Martin K. Eby Construction Co.*, 386 U.S. 317 (1967). *Neely*, however,

holds merely that a plaintiff can move for a new trial “with a separate motion after n.o.v. is granted.” *Id.* at 325. *Neely* does not hold that Rule 50(d) permits a party to seek a new trial based on arguments it waived earlier in the case.

Indeed, *Neely* is fundamentally inconsistent with Promega’s position that Rule 50(d) guarantees “verdict winners” a separate and subsequent opportunity to raise arguments in a new trial motion following the grant of JMOL against them. Pet. 3; *id.* at 16. *Neely* holds that, in appropriate circumstances, a court of appeals may itself “order dismissal or judgment for defendant when the plaintiff’s verdict has been set aside on appeal.” 386 U.S. at 326. In such cases, the verdict winner must “press ... in the court of appeals” any “valid grounds for a new trial”—along with any arguments opposing JMOL. *Id.* at 325.

Weisgram v. Marley Co., 528 U.S. 440 (2000), likewise holds that courts of appeals may grant JMOL against verdict winners in the first instance. And even while noting—as Promega argues, Pet. 18—that it may be “awkward” for a party “wholeheartedly urging the correctness of the verdict, to point out, in the alternative, grounds for a new trial,” *Weisgram* nonetheless holds that a court of appeals may grant JMOL and “properly deny a petition for rehearing because [the verdict winner] pressed an argument [for a new trial] that plainly could have been formulated in a party’s brief.” 528 U.S. at 455 n.11.

In short, *Neely* and *Weisgram* both reject any “ironclad rule” that a court of appeals must remand for consideration of whether the verdict winner is entitled to a new trial instead of granting JMOL outright. *Weisgram*, 528 U.S. at 451 (quoting *Neely*, 386 U.S. at 326). And they do not even suggest, much less hold, that there is an “ironclad rule” that a district court

must consider all possible arguments for a new trial after granting JMOL, even if those arguments have been waived. To the contrary, both cases emphasize that the district court has considerably *greater* discretion than the court of appeals in determining whether to grant JMOL or allow a new trial, “because of the trial judge’s firsthand knowledge of witnesses, testimony, and issues—because of his ‘feel’ for the overall case.” *Neely*, 386 U.S. at 325; see *Weisgram*, 528 U.S. at 451 (same).

As this Court further explained in *Cone v. West Virginia Pulp & Paper Co.*, 330 U.S. 212 (1947), Rule 50 “permits [the trial judge] to exercise a discretion to choose between the two alternatives” of JMOL or a new trial, because of the trial judge’s “fresh personal knowledge of the issues involved, the kind of evidence given, and the impression made by witnesses.” *Id.* at 215-16; see 9B Wright & Miller, *supra*, § 2538 (“[t]his grant of discretion is further reinforced by Rule 50(d),” and “[c]ases in which the court exercises its discretion and allows a new trial even though judgment might have been ordered [against the verdict winner] are very rare indeed.”).

This Court’s precedent offers no support for Promega’s argument that Rule 50(d) permits a party to seek a new trial based on arguments it has waived throughout the trial proceedings. Promega fails to identify any “truly ... direct” or “readily apparent” conflict with this Court’s rulings that could warrant review. *Supreme Court Practice, supra*, § 4.5, at 251.

2. Promega does not argue that the decision below creates a conflict between courts of appeals, and no such circuit split exists. Nor is this a ruling involving “matters that fall within the[] exclusive jurisdiction[]” of the Federal Circuit, such that no split could arise. *Id.* § 4.7, at 256. The question presented

is not an issue of patent law; rather, it is a general procedural question, on which the Federal Circuit applies the law of the regional circuit from which the case arose (here, the Seventh Circuit). Pet. App. 13a. Promega contends that the Federal Circuit’s “interpretation of Seventh Circuit precedent is manifestly wrong.” Pet. 22. But even if Promega were correct, that would not create a circuit conflict requiring this Court’s intervention: If the Seventh Circuit disagrees with the Federal Circuit’s interpretation of Seventh Circuit precedent, then the Seventh Circuit is free to disavow it.

But there will be no such disagreement because the Federal Circuit’s ruling is fully in line with Seventh Circuit precedent. For instance, *Wallace v. McGlothlan*, 606 F.3d 410, 418–19 (7th Cir. 2010), holds that a “party waived an argument by failing to raise it in opposition to [a] Rule 50(b) motion.” Pet. App. 16a. Promega argues that *Wallace* is inapposite because it “did not deal with whether a verdict *winner* waives its right to a new trial.” Pet. 21. *Wallace*, however, did hold that the verdict winner waived an argument by failing to include it in its JMOL opposition. 606 F.3d at 419 (“[T]he plaintiff must have objected when the defendant made his post-verdict motion,” and plaintiffs’ failure to do so “waived” the argument). In addition, the Seventh Circuit in *Popovits* held that a new trial motion “does not provide a vehicle for a party to undo its own procedural failures” or “advance arguments that could or should have been presented to the district court prior to the judgment.” 185 F.3d at 730 (quoting *Moro*, 91 F.3d at 876); see also *Collins v. Illinois*, 830 F.2d 692, 698 (7th Cir. 1987) (similar). That rule, too, governs this case.

Promega contends that the decision below is inconsistent with *Erwin v. County of Manitowoc*, 872 F.2d

1292, 1300 (7th Cir. 1989), where the verdict winner “first sought a new trial at oral argument on appeal.” Pet. 22 (emphasis omitted). But *Erwin* holds only that “the court of appeals may order a new trial” as an alternative to JMOL, where “plaintiffs did not conditionally move for a new trial” below. 872 F.2d at 1300. It does not address the question whether a plaintiff may waive a potential argument in support of a request for a new trial by expressly declining to raise the argument prior to judgment. Moreover, that a court of appeals “may” relieve a party of its waived argument does not mean that it “must” do so. At most, *Erwin* stands for court discretion to do as it sees fit, and thus provides no help to Promega.

Because the decision below does not conflict with precedents of this Court or the courts of appeals, the petition should be denied.

C. The Decision Below Lacks Ongoing Importance.

In addition, the petition should be denied because it does not present a question of “substantial practical importance” that is “frequently recurring.” *Supreme Court Practice, supra*, § 4.15, at 277.

Promega argues that the ruling is important because “verdict winners will have no choice but to brief in opposition to JMOL every conceivable theory that could support a new trial,” creating a “disorderly process.” Pet. 23. This contention, again, is based on Promega’s misconstruction of the ruling. The court below did not hold that all new-trial arguments must be raised in a JMOL opposition. Rather, the court held that Promega’s failure to respond to an argument that was squarely and extensively briefed in the JMOL motion—indeed, was central to that motion—combined with Promega’s conduct at trial, waived the

issue. As discussed below, that ruling was both highly factbound and correct. See 17-23, *infra*.

And far from being “frequently recurring,” *Supreme Court Practice, supra*, § 4.15, at 277, the issue appears to be vanishingly rare. Promega argues that “a verdict winner” cannot waive a potential argument for a new trial by failing to respond to it in “its JMOL opposition,” Pet. 26 (emphasis omitted). Promega cites *no* case that has considered this precise issue, and respondents are aware of none; the court of appeals itself noted that the circumstances in this case are “unusual.” Pet. App. 27a. Promega points to *Finjan, Inc. v. Blue Coat Systems, Inc.*, 879 F.3d 1299, 1312 (Fed. Cir. 2018), but that case involves no ruling on waiver at all. After overturning a jury verdict for insufficient evidence of damages, the court remanded to the district court to evaluate whether a new trial was warranted, merely noting the possibility that the plaintiff could have “waived the right to damages based on alternate theories.” *Id.*

Promega also points to two briefs as demonstrating that the issue is frequently recurring. Pet. 25. But Promega offers no support for the contention that mere arguments in briefs in other cases, divorced from any court ruling on those arguments, provide a basis for certiorari. See Sup. Ct. R. 10. In any event, neither brief even argued that a “verdict winner” waived a new-trial argument by failing to address it in “its JMOL opposition,” Pet. 26, the purported question presented here. To the contrary, both briefs argued that the verdict winner waived an alternate damages theory through its conduct at trial, a theory Promega agrees is legally sound. Br. for Appellee at 38, *Universal Instruments Corp. v. Micro Sys. Eng’g, Inc.*, No. 17-2748 (2d Cir. Mar. 14, 2018), 2018 WL 1449211, at *38 (arguing that “Universal’s ‘all-or-

nothing damages strategy’ *at trial* precludes it from obtaining a remand for a new trial”) (emphasis added); Defs.’ Renewed Mot. for JMOL at 12-13, *Ericsson Inc. v. TCL Commc’n Tech. Holdings, Ltd.*, No. 2:15-cv-11-RSP (E.D. Tex. Jan. 10, 2018) (arguing for JMOL “with respect to damages” because the plaintiff “presented only legally flawed evidence in support of damages” at trial); see *Ericsson Inc. v. TCL Commc’n Tech. Holdings, Ltd.*, 2018 WL 2149736, at *17 (E.D. Tex. May 10, 2018) (denying motion and upholding jury verdict), *appeal docketed*, No. 18-2003 (Fed. Cir. May 24, 2018).

In short, this case does not meet the standards for this Court’s review because the question Promega asks this Court to resolve is not presented at all, the decision below does not conflict with precedents of this Court or other circuits, and the case does not present any important or recurring question of law. Promega’s petition should be denied.

II. THE FEDERAL CIRCUIT’S RULING IS HIGHLY FACT-INTENSIVE AND CORRECT.

In addition, the petition should be denied because the court below correctly held that “[t]he district court acted within its discretion when it concluded that Life and the judicial system should not suffer the consequences of Promega’s deliberate choice” to pursue an all-or-nothing damages strategy. Pet. App. 25a.

1. As discussed above, “Promega waived any argument that the trial record could support a damages award based on a subset of total sales by wholly failing to address Life’s argument on this point.” Pet. App. 17a. Once Promega had waived the argument that the record supports a smaller judgment, it could

not assert it later after its all-or-nothing strategy left it with nothing. That's what waiver means. A new trial motion "does not provide a vehicle for a party to undo its own procedural failures." *Popovits*, 185 F.3d at 730.

Promega takes the radical position that ordinary waiver rules do not apply to "verdict winners," because Rule 50(d) gives them "special solicitude." Pet. 20. But Promega offers no support for this startling argument. As the court below held, Promega "improperly conflates what is procedurally permitted under Rule 50(d)" with what is permitted by waiver doctrine. Pet. App. 25a. Rule 50(d) does not erase waivers by verdict winners any more than Rule 50(b) erases waivers by verdict losers. Waiver limits the permissible range of new trial arguments, excluding those that a party should have raised earlier in the litigation. "Rule 50(d) is merely a procedural mechanism that allows a party to file a new trial motion within 30 days after JMOL is entered." *Id.* at 24a.

The fact "that a motion for a new trial is procedurally permitted by Rule 50 after a grant of JMOL against a verdict winner does not ... permit retrial as a matter of course on theories not pursued in the original trial." Pet. App. 24a. Rule 50(d) does not unwaive waiver. See, e.g., *Boyle*, 487 U.S. at 513; *Pennzoil Expl. & Prod. Co. v. Oxy USA, Inc.*, 99 F.3d 1134 (5th Cir. 1996) (per curiam), 1996 WL 595608, at *3 n.1 ("Pennzoil insists that because Oxy has admitted that the mistakenly credited gas has some value that we must remand for a new trial on damages to determine the amount. However, ... Pennzoil is not entitled to a new trial simply because its strategy in the first trial did not work."); see also *McKenna v. Pac. Rail Serv.*, 817 F. Supp. 498, 518 (D.N.J. 1993) (following JMOL for verdict winner, denying motion for

a new trial on a damages issue, holding “[p]laintiffs were given ample opportunity during the earlier phases of this litigation” to present evidence, and “should not be given the opportunity at this late stage to correct all of the errors committed by them”¹; see 10-11, *supra*.

Promega also argues that the waiver ruling is erroneous because it “rests on an obvious misapprehension regarding the argument LifeTech made” in its JMOL briefing. Pet. 24. According to Promega, Life’s JMOL brief argued only that Promega failed to quantify damages for foreign sales “under § 271(f)(1),” not damages for domestic sales under § 271(a). *Id.* at 24 n.4. Promega is wrong. Life made the same argument for § 271(a) damages: the “only sales number presented to the jury was the stipulated worldwide sales,” which “provides no basis for an award of damages under § 271(a)” because it does not “establish[] the quantum of unlicensed sales subject to § 271(a) liability.” Mem. in Supp. of Defs.’ Rule 50(b) Mot. at 18, *Promega Corp. v. Life Techs. Corp.*, No. 3:10-cv-00281-bbc (W.D. Wis. Mar. 22, 2012) (ECF No. 581).

Promega contends that to support a judgment “foreclos[ing] Promega from receiving *any* damages,” Life “would have needed to show that Promega had quantified *no* U.S. sales at all,” and the JMOL brief agreed that Promega had introduced some evidence of U.S. sales. Pet. 24 n.4. This argument confuses quantification of *sales* with quantification of *damages*. Not all U.S. sales were infringing; in fact, the vast majority indisputably fell within Life’s license agree-

¹ The Third Circuit required a new trial on other grounds, but left to the district court’s discretion whether to permit the waived damages claim to be raised in the new trial, *McKenna v. Pac. Rail Serv.*, 32 F.3d 820 (3d Cir. 1994).

ment with Promega. See, *e.g.*, Pet. App. 8a, 29a-30a. Despite the district court’s warning that Promega “needed to put forward evidence separately proving the amount of infringing acts under § 271(a) and § 271(f)(1),” Promega refused to quantify either the infringing U.S. sales, or the damages from those sales, instead relying solely on worldwide figures to provide the damages base. *Id.* at 17a. The evidence “quantifying [U.S.] sales” that Promega points to highlights these deficiencies; it includes, at best, only speculative approximations regarding percentages of unlicensed sales, and does not address the damages from those sales. See, *e.g.*, APPX5989-90; APPX6015-16. As the Federal Circuit explained, while Promega made a “cursory attempt at further proving the *fact* of damages” by introducing this evidence in rebuttal, Promega made no attempt to show “any particular *amount* of damages” based on anything less than worldwide sales. Pet. App. 18a. As discussed below, the documents Promega introduced and relies upon here left the jury without the tools needed to interpret them and reasonably to determine the amount of infringing domestic sales.

2. Promega also argues that the Federal Circuit committed two “additional errors” in its “attempts to bolster its waiver finding.” Pet. 26-27. However, these arguments only further demonstrate that the waiver ruling was thoroughly grounded in the entirety of the record, and is both correct and highly fact-bound.

First, Promega asserts that the court erred by “suggest[ing] that Promega was required to elicit ‘expert testimony on damages’ to be entitled to an award based on any subset of worldwide sales.” Pet. 27. But the court “suggested” no such thing. While it noted that “Promega presented no expert testimony

on damages,” it further explained that “Promega did not produce *a witness* who could make sense of the documents it presented in such a way that could have enabled a reasonable jury to calculate a damages award.” Pet. App. 18a (emphasis added).

Indeed, Promega presented no expert *or* lay testimony that would have allowed a reasonable jury to calculate damages based on anything other than stipulated worldwide sales. Promega introduced a mass of paper records, without any evidence or argument that the jury could have used to parse them to determine the amount of damages. For instance, to determine damages from domestic infringement for 2006 and 2007, the jury would have needed to review thousands of rows of individual sales figures on multiple spreadsheets, cross-reference each row against the list of accused products, and then somehow translate the “plan codes” on those spreadsheets into actual sales prices. See, *e.g.*, Promega Opening Appeal Br. 14-15; APPX7362-7473; APPX7632-7744; APPX7906-8002. Instead of attempting to quantify damages for any subset of sales, Promega presented testimony that the jury should calculate damages by taking Life’s stipulated \$707 million in worldwide sales, “subtract[ing] out” the licensed sales, and “multiply[ing] that by [Promega’s] gross [profit] margin percentage.” See APPX5667:22-5669:13.

This is a situation where a trial judge is given substantial latitude and discretion because of his “firsthand knowledge of witnesses, testimony, and issues—because of his ‘feel’ for the overall case.” *Neely*, 386 U.S. at 325. The appellate court, which carefully reviewed the record as well, agreed with the district court. Both understood why the record could not support a smaller award: “Promega’s position at JMOL was completely consistent with Promega’s all-

or-nothing damages strategy that Promega pursued throughout the litigation.” Pet. App. 17a.

3. Finally, Promega contends that the court “erroneously concluded that Promega had abandoned compensation for infringement under § 271(a) by asking for a jury verdict of aggregate damages under § 271(a) and § 271(f)(1).” Pet. 30. Again, that is not the court’s ruling. Promega’s successful objection to a verdict form that would have separately listed damages under § 271(a) and § 271(f)(1) was just one among multiple indications of “Promega’s deliberate strategy to adhere to a single damages theory.” Pet. App. 19a. The court also noted, for instance, that Promega prevented Life from putting on evidence of domestic-only sales that could have supported a smaller award, and that Promega failed to introduce evidence quantifying § 271(a) damages after the district court warned that such evidence was necessary. *Id.* at 20a.

The ruling below is correct. Promega chose “to solely pursue an all-or-nothing damages strategy.” Pet. App. 24a. Holding Promega to the consequences of that choice does not represent any unfair “windfall” to Life. Pet. 4. It is rather an application of the basic principle that “a district court does not abuse its discretion by declining to give th[e] plaintiff multiple chances to correct deficiencies in its arguments or the record” when that “plaintiff deliberately takes a risk” by pursuing a legal strategy “that ultimately proves unsuccessful.” Pet. App. 27a.

4. At any rate, the asserted errors are highly fact-intensive. This Court is “[a] court of law,” not “a court for correction of errors in fact finding,” and generally does not “undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error.”

Graver Tank & Mfg. Co. v. Linde Air Prods. Co., 336 U.S. 271, 275 (1949). Promega has made no such showing here. Promega's efforts to change course after the failure of its chosen strategy received thorough and careful consideration from two courts. And because of the factbound nature of their rulings, the decision here will have little or no application to future cases and thus does not warrant further review.

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be denied.

Respectfully submitted,

CARTER G. PHILLIPS*
ROBERT N. HOCHMAN
ERIKA L. MALEY
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, DC 20005
(202) 736-8000
cphillips@sidley.com

August 15, 2018

* Counsel of Record