

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

DRONE TECHNOLOGIES, INC.,	)	Civil Action No. 2:14-cv-00111
Plaintiff	)	
	)	Judge Arthur J. Schwab
v.	)	
	)	
PARROT S.A. and PARROT, INC.	)	FILED ELECTRONICALLY
Defendants	)	
	)	

**PLAINTIFF DRONE TECHNOLOGIES, INC.’S  
MEMORANDUM RE: DAMAGES AND POST-VERDICT EQUITABLE RELIEF**

At the Court’s invitation at the Preliminary Pretrial Conference, Plaintiff provides this concise memorandum addressing damages and post-verdict equitable relief.

Defendants confuse two issues. First, whether a jury award may include damages for future use of patented technology (which it can); and second, what additional equitable relief a court should award in addition to the jury award.

There is no dispute that, in this case, the proper measure of damages is a reasonable royalty. Doc. No. 277 at 2. That reasonable royalty can be a lump-sum payment for a fully paid-up license (as proposed by both experts in this case) for the lives of the patents. *See, e.g., Powell v. The Home Depot U.S.A., Inc.*, 663 F.3d 1221, 1237-42 (Fed. Cir. 2011) (affirming \$15 million jury award based on lump-sum reasonable royalty for life of patent, based on a per unit valuation).

Thus, a jury award may include compensation for future infringement. In addition, “[d]istrict courts have discretion to award damages for periods of infringement not considered by the jury.” *Whitserve, LLC v. Computer Packages, Inc.*, 694 F.3d 10, 38 (Fed. Cir. 2012) (emphasis added). Before fashioning any post-verdict equitable relief, the district court may

determine whether a jury award “include[s] a paid-up license for post-verdict conduct.” *Id.*; *see also Telcordia Techs., Inc. v. Cisco Sys., Inc.*, 612 F.3d 1365, 1378 (Fed. Cir. 2010) (explaining that district courts assess whether a “verdict figure represented past infringement as well as ongoing infringement”); *Innogenetics, N.V. v. Abbott Labs.*, 512 F.3d 1363, 1380 (Fed. Cir. 2008) (reasonable royalty could “include both an up-front payment and an *ongoing* royalty payment,” such as an up-front “market entry fee” based upon future sales plus and ongoing royalty).

In this case, the jury may properly consider and decide damages based on future infringement. Also, following the jury verdict, this Court may consider what additional equitable relief, if any, may be appropriate.

Respectfully submitted,

Dated: April 20, 2015

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