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Latest Heart-Stent Battle Takes \$482 Million Toll on J&J

Presidential administrations come and go. The economy waxes and wanes. Winter becomes summer, which becomes winter again.

But one thing that never seems to go away: the Great Heart Stent Battles. The companies that manufacture the small artery-opening stents used in different types of heart surgeries have been embroiled in billion-dollar patent litigation for years and years and years. The companies (among them: Boston Scientific, Medtronic,



Johnson & Johnson) fight not only each other but individual inventors. Big money comes in, big money goes out. Again and again and again.

The latest development in the story: A federal jury in Texas on Friday concluded that Johnson & Johnson and its stent-making Cordis subsidiary should pay Bruce Saffran, a New Jersey radiologist, \$482 million for infringing his patent for tiny artery-opening heart stents.

That's right: \$482 million. Click <u>here</u> for the WSJ story; <u>here</u> for the Reuters story; <u>here</u> for the story from Bloomberg/Business Week piece.

Cordis said in a statement that it "is disappointed with the jury's ruling." It added, "The company believes this is contrary to both the law and the facts set forward in the case." Cordis said it will appeal.

The jury found that "Cypher" drug-coated stents made by Cordis infringed upon a patent held by Saffran. He has been pursuing stent makers in court for several years; a jury in February 2008 awarded Saffran \$431 million in damages in his case against Boston Scientific.

While Boston Scientific appealed the case, the two sides struck a deal in March of the following year over a reduced amount, which the company covered with a \$50 million charge.

Saffran also sued Abbott Laboratories in 2009, and that case is continuing. Abbott at the time said it doesn't believe the patent is valid or that its "Xience" stent infringes.

But in stent litigation, what goes around, comes around. Nearly a year ago, J&J won a \$1.73 billion settlement with Boston Scientific over stent patents.

In any event, if the latest verdict stands up, it could make for a tidy little payday for Dickstein Shapiro, the firm that represented Saffran.

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