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The Status of Patent Laches after *Petrella v. MGM*

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Today in *Petrella v. Metro-Goldwyn-Mayer, Inc.* (case number 12-1315), the U.S. Supreme Court ruled that the doctrine of laches could not be invoked to bar a copyright claim that was brought within the statutorily allowed three-year window from the particular act of infringement. In *Petrella*, the Court reversed the decision of the Ninth Circuit Court of Appeals, which had affirmed the district court's summary dismissal of the suit based on laches. Resolving a circuit split at the appellate level, the Supreme Court held that the lower courts erred in "failing to recognize that the copyright statute of limitations, §507(b), itself takes account of delay." *Petrella*, slip op. at 11. The opinion emphasized that the Supreme Court has "never applied laches to bar in their entirety claims for discrete wrongs occurring within a federally prescribed limitations period." *Id*. at 14-15. Rather, the Court stated that laches is a "gap-filling, not legislation-overriding," measure that is appropriate only when there is not an explicit statute of limitations. *Id* at 14.

As a counter-example, the Supreme Court distinguished the Lanham Act, which does not contain a statute of limitations and "expressly provides for" laches as a defense at 15 U.S.C. §1115(b)(9). *Id*. at 13, n. 15. In the same footnote, the Supreme Court noted the six-year limitation on damages imposed by the Patent Act and acknowledged the co-existing patent laches doctrine, but stated that its decision does not address the patent context. *Id*.

Copyright law and patent law have numerous parallels, and the Supreme Court has occasionally borrowed from one body of law to support decisions in the other. *See*, *e.g.*, *Metro-Goldwyn-Mayer Studios Inc. v. Grokster*, Ltd., 545 U.S. 913, 936 (2005). Consequently, it may appear at first glance that the doctrine of laches in patent cases could suffer the same fate. However, there are strong arguments that distinguish the principles of patent laches, and may lead the Supreme Court to a different result.

As the Supreme Court noted, laches was addressed in the patent context by the Court of Appeals for the Federal Circuit ("Federal Circuit") in *AC Aukerman Co. v. Rl Chaides Constr. Co.* 960 F. 2d 1020 (Fed. Cir. 1992) (*en banc*). There, the Federal Circuit attempted to harmonize the doctrine of laches with Congress' provision to impose a six-year limitation on damages in the Patent Act, and concluded that the provision "is not a statute of limitations in the sense of barring a suit for infringement." *Id*. at 1030. Rather, it merely sets a limit that "no recovery shall be had for any infringement committed more than six years prior to the filing of the complaint . . ." 35 U.S.C. §286.[1] In short, the Federal Circuit held that laches was fully compatible with §286, and noted that the district courts unanimously recognize the defense of laches in patent suits. *Id*.

These distinctions from *Aukerman* appear to remain valid even after today's decision in *Petrella*. There is also no indication when the Court might take up the question of laches in the patent context, if ever. The Supreme Court noted in *Petrella* that the separate equitable defense of estoppel remains alive and well, even in the copyright context. *Id.* at p. 19.

The *Petrella* opinion can be found at http://www.supremecourt.gov/opinions/13pdf/12-1315_ook3.pdf.

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[1] By contrast, the Copyright Act bars suit completely if an action is brought outside of the prescribed time limit. 17 U.S.C. §507(b) states that "[n]o civil action shall be maintained . . . unless it is commenced within three years after the claim accrued."