



District Court Holds That Any Failure to Mark During the Damages Period Bars **All** Pre-Notice Damages

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The District of Arizona recently held that a plaintiff's failure to mark patented products during the time period that marking was required barred it from recovering **all** pre-notice damages, including for a period of time when there was no obligation to mark.

Plaintiff accused defendant of infringing patents directed to heat management technology for certain lighting products such as LEDs. During the potential damages period, plaintiff had licensed the asserted patents to a third party that sold products covered by the patents, but did not mark them with the patent number. Accordingly, there was first a time period when the patent had issued but there were no patented products on sale, then a second time period when unmarked patented products were sold. Then plaintiff sent a notice letter and ultimately filed suit. Both parties moved for summary judgment related to whether the marking statute, 35 U.S.C. § 287, limited plaintiff's ability to recover pre-suit damages.

Plaintiff argued that § 287 did not preclude recovery of damages prior to plaintiff's license with third parties who failed to mark because, prior to that date, there was no obligation to mark. And because it provided actual notice of infringement via a letter a month later, any limitation on plaintiff's recovery (up to six years prior to the complaint) should only affect that intervening month. Defendant argued that according to the statutory language, a failure to comply with § 287 bars **all** pre-notice damages. Moreover, plaintiff's notice letter was insufficient to provide actual notice of infringement because it failed to identify all allegedly infringing products. Thus, plaintiff should be prohibited from recovering any pre-suit damages.

The court first set forth the relevant statutory language: “In the event of failure so to mark, no damages shall be recovered by the patentee [unless] the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice.” § 287(a). The court joined several other district courts in holding that, based on the statutory language, a failure to mark at any point during the damages period eliminates the ability to recover pre-notice damages. The court recognized that this was a harsh result but stressed that the statutory language is clear. Moreover, as the Federal Circuit previously explained, entitlement to pre-suit damages based on constructive notice to the accused infringer is a benefit, not an affirmative right. And this was not a case where an entity made an unauthorized sale—plaintiff had licensed these third-party sales without requiring them to mark their products. Thus, because licensees had failed to mark at one point in time, plaintiff could not recover damages prior to providing actual notice of alleged infringement.

Turning to plaintiff’s pre-suit notice letter, the court held that the representative products and infringement allegations the plaintiff identified were sufficient to provide notice of actual infringement. Written without the benefit of discovery, the letter nonetheless identified the categories of accused products. Accordingly, plaintiff was entitled to seek damages as of the date of its letter.

Practice Tip: Because a failure to mark covered products at any point in time could cut off **all** pre-notice damages, it is critical that patent owners comply with the marking statute and require their licensees to comply at all times a covered product is sold. On the other hand, accused infringers facing years of damages should determine whether the patentee (or a licensee) sold any arguably covered, but unmarked products at any point during the damages period.

Lighting Defense Group, LLC v. Shanghai Sansi Electronic Engineering Company Limited, et al., 2-22-cv-01476 (D. Ariz. Nov. 27, 2024)

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