IN THE UNITED STATES DISTRICT COURT

FOR THE WESTERN DISTRICT OF WISCONSIN

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NOVOZYMES A/S and
NOVOZYMES NORTH AMERICA, INC.,

Plaintiffs,

ORDER

10-cv-251-bbc

v.

DANISCO A/S,
GENECOR INTERNATIONAL WISCONSIN, INC.,
DANISCO US INC. and DANISCO USA INC.,

Defendants.

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Plaintiffs have filed a motion to "strike" what they call defendants' "untimely new contentions of acceptable noninfringing substitutes." Dkt. #358. In particular, plaintiffs say that defendants should be prohibited at trial from pointing to Fuelzyme, Spezyme CL and "whole broth" products as potential noninfringing alternative products because defendants did not identify these products until after May 13, 2011, the day plaintiffs identify as the deadline set by the magistrate judge for discovery related to noninfringing alternatives. This issue is relevant because an "absence of acceptable noninfringing substitutes" is one of the elements for obtaining lost profits for patent infringement. Minnesota Mining & Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc., 976 F.2d 1559,

1577 (Fed. Cir. 1992) (patent holder may demonstrate lost profits by proving (1) demand for patented product; (2) absence of acceptable noninfringing substitutes; (3) its capability to exploit demand; and (4) amount of profit it would have made).

Defendants deny that their disclosures were untimely and argue that any delay was caused by plaintiffs' failure to produce necessary documents until May 5, 2011. However, I need not resolve who was more at fault now because plaintiffs have not shown that they are entitled at this time to a ruling that the evidence should be excluded.

First, although plaintiffs repeatedly refer to this issue as an "affirmative defense," they do not cite any authority for this proposition. The Court of Appeals for the Federal Circuit has stated consistently that the *patent owner* must prove "an absence of acceptable noninfringing substitutes" in order to recover lost profits. Cohesive Technologies, Inc. v. Waters Corp., 543 F.3d 1351, 1373 (Fed. Cir. 2008); Golden Blount, Inc. v. Robert H. Peterson Co., 438 F.3d 1354, 1371 (Fed. Cir. 2006); Standard Havens Prods., Inc. v. Gencor Indus., Inc., 953 F.2d 1360, 1373 (Fed. Cir.1991). Because plaintiffs have the burden of proof on this issue, it is more difficult for them to argue that they were entitled to assume that the evidence at trial would be limited to specific products that defendants had identified by a particular date.

Second, the only legal prejudice defendants identify relates to preparing their expert report on damages. Because the parties have agreed to extend these deadlines, dkt. #384, this concern is moot.

ORDER

IT IS ORDERED that the motion to strike filed by plaintiffs Novozymes A/s and Novozymes North America, Inc., dkt. #358, is DENIED.

Entered this 27th day of June, 2011.

BY THE COURT:

/s/
BARBARA B. CRABB
District Judge